

BOARD OF MAYOR AND ALDERMEN

May 21, 2002

7:30 PM

Mayor Baines called the meeting to order.

The Clerk called the roll. There were fourteen Aldermen present.

Present: Aldermen Wihby, Gatsas, Guinta, Sysyn, Osborne, Pinard,
O'Neil, Lopez, Shea, DeVries, Garrity, Smith, Thibault, Forest

Mayor Baines recessed the regular meeting to return to the Public Participation session.

Mayor Baines called the meeting back to order.

3. Presentation by MCTV Task Force.

Mayor Baines stated late last year I asked Dr. Karol LaCroix the Dean of the University of New Hampshire @ Manchester and Dr. Richard Gustafson the President of Southern NH University to co-chair a committee that would look into policies and procedures of Manchester Community Television (MCTV) in an effort to help the City chart a future course for MCTV and to provide suggestions that would qualify the disciplinary procedures that were, at the time, a subject of great debate. At the time the Task Force was formed the Superintendent of Schools and the Board of School Committee were addressing issues raised as a result of the suspension of producing privileges of two citizen producers. Given the demands on the Superintendent's time, I felt it was important to examine whether responsibility for resolving such issues rested more appropriately with him that is why I asked the Task Force, particularly one headed by Doctor's LaCroix and Gustafson that it would be appropriate to have such an effort underway in the community. Now, Al Cappannelli, Director of Media Relations at Highpoint Communications, Ovide Lamontagne, a partner in the Devine, Millimet & Branch Law Firm and Mike McCluskey, Executive Director of McLane Graf Raulerson & Middleton, PA joined the Task Force. The members of the Task Force were chosen because of their expertise in their professions, their commitment to Manchester and their well-deserved reputations for wisdom. They were also

chosen because none had...to borrow a phrase “a horse in the race”. They were neither champions nor critics of MCTV. This detachment makes their findings and suggestions all the more credible. Having said that I am proud to introduce President Gustafson who introduces colleagues and begin his report and thank you very much for your efforts.

Dr. Gustafson stated that you, Mr. Mayor. It’s our pleasure to be here this evening to formally present our report to you and I’m here as co-Chair of this Task force along with Dr. Karol LaCroix who is Dean of UNH Manchester who served with me. She’s really the first among equals on this Task Force. I know you have it, you’ve had a chance to read it and digest it. We will not repeat verbatim the report, but I do want to point out several items that I think will help you in your consideration and perhaps any questions that you may have of us. First and foremost, I think this was a focused report. There were many aspects of MCTV that we were not asked to look at although producers and others came forward to share their thoughts about their feelings about MCTV, its importance to the community and to their efforts and to a person they praised the efforts in terms of what it brings to the greater Manchester community. But, we were asked by the Mayor to focus on two or three things, in particular, and I would focus your attention on page 2 which was a charge to the committee. The charge to the committee was very specific, they asked us to evaluate the current arrangement with the School District as the access provider along with a proposal to establish MCTV as a non-profit entity because the Mayor recognized the importance of MCTV to the City, but acknowledged that the current organizational structure might not be the best model for MCTV in the future. And, secondly, it was also noted that recent events challenged the effectiveness of certain operational policies and procedures at MCTV and we were asked to try to build an independent and unbiased analysis of the issues surrounding that public access component and make recommendations with respect to that dimension of our work. The process, I think, is clear and straightforward. We had a host of materials not only provided by Dr. Grace Sullivan and her staff but the City itself. We gathered information from other community TV groups around the country as well as professional organizations that are involved with community TV stations. Some of those materials are listed here, there were many other materials as well. You’re familiar with the Task Force members, we had a number of meetings and the dates of those meetings are on the bottom on

page 3. We also held an open hearing on January 23rd and heard testimony from 17 people. In addition to that we interviewed members of MCTV's staff as well as Superintendent Tanguay and Dr. Sullivan. We also received E-mails and unsolicited letters from a number of other individuals who wanted to share their thoughts with us. We deliberated on all of this information as best we could. We discussed this among ourselves in open meetings and we provided to the Mayor and the Board of Aldermen four recommendations which are outlined on pages 4, 5 and 6 and over onto page 7 of your report. The first we recommend that we Establish an Independent MCTV Non-Profit Corporation as the Access Provider Under the Manchester Cable Television Renewal Franchise Agreement. We felt that it was best if we had a separate entity that handled all aspects of MCTV, educational, governmental and public access as well. Others argued against this particular model...you're well-familiar with those arguments. In our judgment, the size of the Manchester and the greater Manchester area that a single entity would be most efficient and effective moving forward in this direction. Some work has also been done on this model that's outlined in the report to you and I know that this Board as well as the School Board has also looked at the non-profit component to represent MCTV in the future. Should this particular model be developed on the bottom on page 5 we recommend a number of steps to be followed to breath life into the new organization; that the Articles of Incorporation should provide the dissolution of the corporation and the assets will revert to the Board of Mayor and Aldermen; that all component parts of the Public Education General (PEG) Access channels should be overseen by the independent, not-for-profit organization; that a transition plan should be developed between the Board of Mayor and Aldermen and the Manchester School Department, and the leadership of a new non-profit organization to achieve the appropriate transition; and very importantly that the access funding should be dedicated and paid to the non-profit corporation for the term of the existing agreement provided that that agreement goes forward up to the next ten years. Secondly, we recommend that the existing group or the new group Establish Policies and Procedures Which Include Mechanisms for Enforcing the Standards of MCTV and Provide Producers with Appropriate due Process. This was endorsed by all of the producers, they felt that a more well-defined process was good for everyone and we outlined that process here. To be fair, the staff of MCTV as well as the School Board had already recognized this issue and had begun working also on improving the due process and

review. Third, we recommend that a Producers Association be created in order to improve communication between the Producers and MCTV, the Board of Mayor and Aldermen and the community. The producers are hard-working, sincere individuals who have an interest in the continued improvement of MCTV. We felt that their input and their involvement in any future organization could only be helpful to the quality of programming that would occur in all three arenas. And, finally, we recommended the development and implementation of a mechanism to determine the impact of MCTV within the community. This would be appropriate for continued budget adjustments and justifications and would also be important should the entity seek external funding from foundations and other governmental agencies because they would always ask about accountability and impact. Again, I would thank members of our committee for their hard work on this report. We transmit that report to you and we're prepared to answer any questions that you might have.

Alderman Wihby in addressing Dr. Gustafson stated in this is talks about the funding...there should be that dedicated funding so that we move forward, we have a certain amount...you're saying it should be whatever percentage it is now that we give that should continue, is that how you...

Dr. Gustafson replied as a minimum.

Alderman Wihby stated so whatever we give now for a percentage, whatever that comes out to that would always be there until the contract's up, so that they are always getting at least that amount and then they're getting grants or otherwise would go to the non-profit.

Dr. Gustafson replied that is correct. There was a concern that if a non-profit was created and it was fortunate enough to attract some grant funding from foundations or governmental agencies that these funds might be used to supplant the regular appropriation it would come from, a portion of the franchise fees and the Task Force felt that that was not the way to go; that if it was fortunate enough to attract this external support for special programs or enhancements that it ought to be used for that and not to supplant existing base funding.

Alderman Wihby stated right now there's not really a percentage, it's a dollar amount, but I guess you can tie it to a percentage because whatever the amount is...there is a percentage there, but that's not how it was calculated.

Dr. Dustafson stated I don't know all of the facts and figures of the history but I know when this was first started when the cable cost to customers was quite a bit less than it is today and the customer base was smaller that the amount generated in revenue from that fee was a much smaller amount of money and probably nearly all of it was allocated over to MCTV in those very, very early years; that grew rapidly because of the customer base as well as the increase in costs and now it amounts to about \$2 million a year that comes to the City through that contract. But, we felt that this is a terrific resource for the City and it ought to achieve significant funding from the Board of Mayor and Aldermen whether it's existed or it exists today or what it might exist organizationally in the future.

Alderman Wihby stated so whatever the amount is now, that set amount over the percentage that we get in that would be the new percentage that we would move forward with.

Dr. Gustafson replied as a base, yes.

Alderman Wihby stated so if the funding goes up next year it automatically moves up anyway.

Dr. Gustafson replied correct.

Alderman Wihby stated but you're not asking that the whole amount that we get, the \$2 million or whatever, you're just asking for whatever the percentage is now to move forward.

Dr. Gustafson replied that is correct.

Alderman Wihby stated I want to thank you for taking the time to do this. I know that when we talked about this a long time ago, there was a recommendation to make it into a 501-C; that was a recommendation for people who wanted MCTV at the time that came to us. We changed the mechanism and we brought it under the City departments, but we also said and I

think the Mayor was here at the time, we were going to look at it, to work on it and it sounds like you've done a great job. Thank you.

Dr. Gustafson stated thank you again. We know the organizational issues are always tough ones to implement, but we were impressed with the MCTV initiative, it's important to the community and the producers regardless if they were educational, governmental or public service were to a person very positive about the impact and the importance of this Community Television Network to the City of Manchester and the surrounding towns.

Alderman Gatsas stated I wanted to thank Dr. LaCroix and Dr. Gustafson for co-chairing this, I think you've done a great job and you've taken the burden from some of us that tried to deal with this early on. I guess my question is...was this report just completed because we just received this this evening, was this just completed or has it been done for a while.

Mr. Scannell replied it went out in a previous mailing.

Mayor Baines stated two weeks ago, I think.

Alderman Gatsas stated just so there is no misunderstanding...the \$2 million that has been dandered around with the franchise fee that we receive is somewhere closer to \$1.2 million. The percentage has always been one percent (1%) that was given by the School and one percent (1%) given by the City when the onset of MCTV started. Last year, this Board decided instead of giving a percentage to deal with a budgeted amount, so again I guess it can be related to wherever we are on a percentage basis and reflected back on whatever the revenues are coming in, but I would assume they would want to deal with that on an up front basis rather than waiting until we get our allocation on a quarterly basis to move forward, but I think you've done a great job, I think that the Aldermen are probably happy that we don't need to deal with this especially the Committee on Administration, thank you.

Alderman Lopez stated just for clarification for myself the PEG Channel...are we speaking of a non-profit organization for all three or are we speaking let the educational channel under the School Department because there are City employees over there.

Dr. Gustafson replied we're recommending a single non-profit for all three.

Alderman Lopez asked did your committee address the employees? What would happen if they go non-profit?

Dr. Gustafson replied we did not. They voiced their concerns very candidly with us...neither Dr. Sullivan nor Superintendent Tanguay were in favor of the non-profit that covered all three. They preferred to have a non-profit that would cover the Public Access only and that the other two components not be spun off into a not-for-profit corporation.

Alderman Lopez stated the other two, did I hear you correctly.

Dr. Gustafson replied Educational (especially)...I'm not sure about where they were on the Governmental/Municipal one.

Alderman Shea stated my questions were exactly the same as his, thank you.

Alderman Pinard asked as you researched the staff of MCTV did you come up with anything on the staff, Dr. Sullivan and her staff, are they operating.

Mayor Baines asked could you bring your microphone down and repeat that question, please?

Alderman Pinard replied in reference to the staff and Dr. Sullivan at MCTV...did you find them to be doing a good job?

Dr. Gustafson replied our purpose was not to look at the staff either in numbers or capacity of what they were doing. We heard from staff, however, and from producers that felt that the MCTV initiative was an important one to sustain in this community and to grow in the future as well.

Alderman Pinard asked how many of the producers did you question or interview?

Dr. Gustafson replied Mr. Cappannelli interviewed, I think six or eight producers. We had several that came before the committee to speak, we had a number who testified at the open hearing here and we had several that sent us E-mails.

Alderman Pinard asked who picked the producers?

Dr. LaCroix replied Mr. Cappannelli was given a list of producers and he selected people by virtue of their availability and certain interest areas that had been expressed to him. But, other producers who were not interviewed by Mr. Cappannelli did have a chance to get in touch with us which many of them did and also many attended the open hearing that we had in January.

Alderman Pinard stated thank you very much you did a fine job. I've been doing shows for the past three years "Manchester on the Move" and I'm very, very satisfied with Dr. Sullivan with the way she handles me. The staff that works over there they get out of the way to help us and I think that's a big plus for the community and everybody else that does the show. Thank you, Mr. Mayor.

Alderman Guinta stated thank you very much to give us a preview of this, I appreciate your hard work. My first question would be regarding to your time table, if you had a time table as to when you thought we should go into non-profit status for this entity or was that not in the scope of your assessment?

Dr. LaCroix replied no, we really did not present a time table because clearly there are some issues that we are not aware of that would really affect how easily this can be done. There certainly was some previous work that was done that should be utilized if the Board decides to take this step, but I think there are a lot of considerations that need to be looked at before that time table is established. It's quite a bit of work as you know to establish the 501-C(3) and also it is our feeling that if it's going to be done, it needs to be done correctly with the right kind of Board making sure that you have all of the legal assistance you need. In fact, we even deferred to not calling it a 501-C(3) because we weren't sure that that was the right entity. So, that needs to be explored.

Alderman Guinta asked when you refer to Board of Directors do you mean Board of Directors of the new entity.

Dr. LaCroix replied for the non-profit, correct.

Alderman Guinta asked in this packet is there an idea as to who you feel the makeup should be of that Board of Directors or did you not get into that?

Dr. Gustafson replied in a very general sense in terms of broad representation, but we did not speak of the size of the board necessarily or in particular and I would echo Dr. LaCroix's point if this is decided to move in this direction then I think it ought to be done in a very deliberate fashion with full consultation with the people involved because there are issues of employment, rights and responsibilities that I think should be kept in mind by any group that urges this forward.

Alderman Thibault stated maybe I missed it...did you in fact address the question of the staff...if the staff would stay on in a non-profit or was that part of your analysis.

Dr. Gustafson replied we did not address that directly, but certainly I think Dr. LaCroix just mentioned there are a number of issues that we think need to be carefully looked at and discussed and understood and handled if this is the direction we are going to go into a non-profit status because there are on-going staff associated with MCTV, it's an on-going operation now and I think that if you're moving forward you need to be mindful of that so that you move into a new situation in which people are properly treated and you position yourself for success in the future and that would be our general recommendation.

Alderman Wihby moved that we should move it forward and refer it to the Committee on Administration.

Mayor Baines replied I will accept that motion but I just want to make a couple of brief statements again. I want to commend the Task Force for this very time consuming undertaking by very busy people in our community and I know there are some people that agree and disagree with your recommendations that may even disagree with your approach. I would urge those people simply to focus their energy on trying to convince people to come to another conclusion. When you ask volunteers in the community to step forward, I think respect the fact that they have done the best job that they could do and I am very pleased with the effort that you undertook at my request and I know we're going to give due deliberations to your recommendations and make a recommendation that is in the best interest of the community and that is what our job is now.

Alderman Wihby reiterated I want to send it to the Committee on Administration but before I do that, your Honor, I want to commend you for the people you picked for this committee because I think it clearly shows that it was non-partisan and no one should take it that we're doing something for or against MCTV but for doing something that is best for the community. So, I think the Committee on Administration should work forward with coming up with this plan.

Alderman Thibault duly seconded the motion that the MCTV Task Force report be referred to the Committee on Administration.

Alderman Gatsas stated as Chairman of the Committee on Administration I do not have a problem accepting this task but I would like this Board, at this time, to take a vote that the way we're going and maybe structuring it is different than at least sending a recommendation that we accept this final report; that we are going to move either in the direction of either a 501-C(3) or whatever is the best entity for that to fall in. But, I want to make sure we go forward as a committee and not come back and find a roadblock at a later date. So, I would ask that we just move it as an entire Board so that we can go forward with this final report now.

Aldermen Wihby and Thibault withdrew their initial motions.

Alderman Gatsas moved to accept the final report of the Mayor's MCTV Task Force and move it forward in a direction that would either be a 501-3(c) or any other entity that would make sense in the final appraisal of where we are going. I would like that vote first and then decide on how and time frame that we do that at the Committee on Administration level.

Alderman Wihby duly seconded the motion.

Alderman Shea asked is there any role that the School Department plays in this, your Honor. It's housed at the School of Technology, it's under (I assume) part of their auspices at this time, we can go forward as it were, but is there any implications of...

Mayor Baines asked is Tom Arnold here or...because we spent a long time on this about a year and a half ago.

Deputy City Solicitor Arnold stated I'm not sure what the question was.

Mayor Baines stated the question was is the authority to move this with the Board of Mayor and Aldermen and what role does the School District have in this whole...

Deputy City Solicitor Arnold replied the authority is with the Board of Mayor and Aldermen as the franchising authority under the Cable Agreement. Certainly, I think, that there is a role for the School Department to play given the location with the facilities at present and given the employment status of the present employees. I would hope that...

Mayor Baines interjected that would have to be deliberated in the Committee on Administration, so that could be clarified in Committee.

Alderman DeVries stated I'm wondering this evening if there might be a way to table this or put this off to a future meeting. I know I was not prepared with the background to vote on whether I wish to decide tonight if we're going forward with a non-profit. I just haven't done the background. I did read the report, but I haven't spoken to the individuals and I think it would be rather time consuming to do this in front of the whole Board tonight.

Mayor Baines stated I didn't think the motion said it specifically...Alderman Gatsas, would you clarify your motion.

Alderman Gatsas stated my motion was that we accept this final report because we have delved into this at the Committee on Administration probably two or three different times. I think it's important that we send the right message to the Task Force because getting people to sit on future task forces is not going to be easy if we don't tell them thanks for a great job and we take your recommendations and hard work under consideration. I just think that we can talk about how we're going to move forward and I'm certainly not looking to circumvent the School Department in any of the decision-making. I think that we have attempted and we can at the committee level make sure that all of the employees are protected; that the School Department has their opportunity to look at what direction they'd like to go in. I just think that we have to send a message to the Task Force that says thank you for your review, thank you for your hard work and I think that we as a Board should move forward.

Mayor Baines stated Mr. Scannell just clarified that the School District is going to hear the same presentation at their next regular meeting, as well.

Alderman DeVries stated just a brief follow-up, so accepting the report is indicating that we are sanctioning this as a non-profit 501(c), correct.

Alderman Gatsas replied I think, Alderman, that you will find that at times we can sanction different things and when it's all done and said things changes. There would be a final report coming.

Alderman DeVries stated so sending it to committee is non-committal this evening.

Mayor Baines stated the motion said or other entity, so it was left open to consider the 501-3(c) or other entity, so that to me, I understand that to be an open question going into committee with a full recommendation back to the Board.

Alderman Lopez stated I totally agree. Let it go to committee, iron out all of the bugs and because there is already documentation from one of the lawyers in town on a 501-3(c) I'm sure the employees are going to be protected and that's legal between the schools and stuff like that, so work out the bugs and bring it back.

Alderman Guinta stated I have no objection to this going to committee for further review but I want to make sure that the motion does not limit ourselves in any way to further call upon the members of the Task Force. If we so need them or their guidance. So, I want to make sure that I understand the motion.

Mayor Baines asked the Clerk to read the motion.

Alderman Guinta stated I guess my point is I don't want to limit the ability of the Committee on Administration to further discuss or further review this report because my feeling would be there could be something in this report that we could further amend or will continue to work on. So, I want to make sure that I'm clear that the motion is not going to limit us in any way as a Board or as a Committee.

Mayor Baines asked, Alderman Gatsas, do you want to respond and then I'll have the Clerk read the motion.

Alderman Gatsas stated I would assume that the Task Force would be available on some occasions to come before the Committee on Administration to discuss whatever.

Dr. Gustafson replied yes and in fact we discussed that there might be issues of clarification that you'd like to talk to us about and we're perfectly willing to make ourselves available for that.

Mayor Baines asked the Clerk to read the motion.

Deputy Clerk Johnson stated the motion is to accept the report from the Task Force and move forward with the recommendations of a 501-3(c) or other entity and to refer same to the Committee on Administration to further work out the details.

Mayor Baines called for a vote on the motion. There being none opposed, the motion carried.

Mayor Baines recessed the meeting for a short period of time prior to the next presentation.

Mayor Baines called the meeting back to order.

4. Presentation of Purchase and Sales Agreement for Bridge and Elm Streets property.

Mayor Baines stated before I ask Mr. Jabjiniak to introduce our presenters this evening, I want to make a couple of comments about this project. As all of you know, we began this project almost 18 months ago when we first started looking at how we were going to deal with this parcel of land that has been vacant for approximately 12 years and 18 months later we're here with a proposal that we feel, very strongly, is in the best interests of the City. We have got the support of MDC and others who have been following this project and the staff and other people got in to look at the legal aspects of the Purchase & Sales Agreement...everything associated with this project. We feel at the end of the day that we have a proposal worthy of support by the Board of Mayor and Aldermen and at the end of this proposal tonight we are going to ask you to move forward and support this project. We feel it's a critical issue for the community. Again, it's been vacant for 12 years, we feel it

fits in with the vision that we've been trying to promote in Downtown with housing opportunities and the ancillary effects of bringing housing into Downtown and it also partners private development with the City and it is my conclusion and those who have worked on this project that if we are going to develop Bridge and Elm a public/private partnership is in order. Those who have followed economic development in our community in the past will tell you that project's such as the Center of New Hampshire and Hampshire Plaza would not have happened without similar partnerships and we feel it's a critical decision we're making tonight about the future of our City, the future of Downtown in addition to economic development. I know there are a lot of questions, legitimate questions that people are struggling with and I've been appreciative of the openness of the Board of Mayor and Aldermen to look at the variety of issues and I'd like to now turn it over to Mr. Jabjiniak who will make a couple of statements and introduce the people involved and then we'll have a presentation and then we will open it up for a good dialogue with members of the Board of Mayor and Aldermen and people making the presentation, Mr. Jabjiniak.

Mr. Jabjiniak stated following up on what you had said, Mayor, this is really a culmination of 18 months worth of work with not just this developer, but other developers who have come along and it's really been a chance to introduce a very viable project for this site, it has been a challenge. This developer was introduced to the site, I think, in November of 2000 and it takes that kind of a time commitment to put a project of this magnitude together. The developer has approximately a quarter of a million dollars in due diligence into this site and those details are in front of you tonight. Developing credibility is an important piece, it's not just with local developers but with the regional people, the national developers we've had in and that's an important step in the growth of our Downtown. The developer has withstood a barrage of questions, comments, negotiations, a lot of different things back and forth...not just staff, but attorneys, bond counsel, financial advisors and the like. And, they've done everything we've asked them to do. This is the same project that you saw thirty (30) days ago (roughly). I think the real economic development engine is the people that this will bring Downtown, not necessarily the fact that tax revenue will offset the bonds, but really it's the people coming Downtown to help us all the way around. Let me reintroduce the development team...Brian Dacey of the Drew Company, Christian Silvestri of Silvestri

Companies, Tony Marts and I think the architect Neil Middleton is here. Representing MDC tonight is Rick Fradette and their Attorney Karen McGinley and I want to mention staff involved because we have a lot of staff time invested here...Kevin Clougherty, Randy Sherman and Joanne Shaffer all from Finance have played an important role, Jay Taylor, Tom Clark plus the City's Bond Counsel including the Real Estate Attorney Walter McCabe who is not able to be here tonight and also they've met with an awful lot of departments from Assessors to Building to Fire and they've all been very cooperative to make things work. With that I want to turn it over to Rick Fradette from MDC.

Mr. Fradette stated thank you, Bill, Honorable Mayor and Members of the Aldermen I am going to be brief and to the point. The points that have been made by Bill as well as the Mayor are really points that I had planned on covering as well. My responsibility this evening is just going to be to report MDC's vote on this matter. I grew up in Manchester, educated at West High School, went on to law school...I'm familiar with business, I run my own firm. We have spent an awful lot of time as volunteers in developing and working with this developer to try to make this project something that we would all be proud of. The members of our MDC sub-committee are Alderman Sysyn, Ray Pinard, Bill Sirak who could not be here and Rick Loeffler. The full MDC which is there are 12 members of the full MDC include, of course, Alderman Thibault and also here are Chuck Hungler, Skip Ashooh and Gary Long. Other members couldn't be here but I am here to report that the MDC has considered this particular project at at least three of its full meetings and at the most recent one voted unanimously to endorse this project. The MDC sub-committee met specifically on this project twice that number of times and made a recommendation to the full MDC. We've worked hard as a volunteer sub-committee to try to usher the project along. It would not have been possible, in fact, it would have been impossible on this project without the help of Jay Taylor, Bill Jabjiniak, Kevin Clougherty and Randy Sherman were critical including trips to Boston to meet with bond counsel and representatives that are on the developer's side as well as Manchester's counsel. Here this evening on behalf of the MDC is Karen McGinley, she is an Attorney with Devine Millimet. She worked on the Grossman transaction and for those of you who recall Grossman's proposal was a fairly complex proposal and Karen worked on that one and she's worked very hard on this one as well and

has done a great job. The Grossman transaction, if you recall, was four years ago. I've read in the paper that we may be doing something a little premature to sell this property as an MDC for \$750,000. Well, let me tell you...we have not had anybody beating down the door to purchase this property. In fact, we have put out RFP's on three separate occasions, we have not had people interested in this property. This particular developer has put an awful lot on the line...like Bill mentioned they've stepped up to the plate every time we asked, every single time and they've committed a lot of their own personal resources towards that and as you'll see in the development proposal they are equity partners in this. They are going to be on the line financially for this development. They're going to sell the development so it is going to be to them to convince you folks that 200 people in Downtown Manchester is a good idea. I can tell you that from the MDC's perspective it is a good idea. It is something that is long overdue, it's an opportunity that we have today and we ought to capitalize on that. The professional's that have been involved in this...Kevin Clougherty and Randy and Bill Jabjiniak and Jay Taylor, Attorney Clark...have reviewed this proposal and I'd encourage you to consider their input in this process. I'm not going to get a chance to speak to you again, I want to close with just the comment that I graduated from pharmacy school in '77, went into business on my own and a person looked at me and said (he's kind of my mentor) and said every now and then, Rick, be brave, just be brave. And, I would ask you folks after you see this pitch tonight, after you see this proposal considering everything that we've been through in the last 12 years and the opportunities that have not been knocking down the door, ask all of the questions, make sure you get good answers, reliable answers and then on behalf of Manchester, for Manchester be brave. Thank you. And, I'm turning it over to Brian.

Mr. Dacey stated we would like to give you a brief presentation, we know you have most of this material and we know you've also got a lot of questions, so we'll try and quickly get to that. The first slide summarizes what you've all seen before, the basic project of 200 market rate units, 300 space parking garage, new retail space, total development of \$37 million including the garage...an anticipated completion date of the summer of 2004 and something we made sure we put on here this time is what the developer's investment will be in this property which will be \$7.6 million which is approximately 20% of the project costs for the

residential units. We are very committed to this project...as I think many of you know, as all of you know, Christian started this months and months ago and we've been working on it for many months and we've been before you before as you know and this is our third time and this is just the slide of the rendering of the building and if anyone wants to talk more about the physical aspects of the building we'd be happy to do it, but we thought tonight the interest was really the business deal. So, this evening we would like to go through the rest of the presentation and take you through some slides and as I said we'll be ready for questions. Now, this first slide and I know Bill wants to address this just talks about what was in fact voted at the last meeting and what brought us back here tonight.

Mr. Jabjiniak stated as Brian just said this is what we voted on at the April 16th meeting and it was voted unanimously if I remember correctly. Certainly, the details that are in front of you, the Purchase & Sale is consistent with what was voted on on the sixteenth. We have an agreement in front of you for the developer to enter into...the purchase of the land. We have agreed to pursue some financing and not to exceed \$5 million. We've kept that on budget and didn't go over and everything fit within the parameters we established a month ago. We have agreed to apply for EPA funding to do the site assessment, any remediation which is going to be an important piece...EPA has been here knocking on our door saying how come you haven't participated in the past and we're ready to step up and I think go through that process along with MDC. The \$500,000 of the HUD 108 monies is available in a line of credit which is something we have used out here on Elm Street previously and that will be for the retail portion that will create approximately 15 jobs in just the retail piece of it. As it says there "all this is subject to the final vote", but it is very consistent, it's exactly the same thing that we presented a month ago.

Mr. Silvestri stated what does the City receive. The MDC is going to obtain \$750,000 in the purchase price for the land, \$400,000 of which is going to be up front. The tax revenues are going to be approximately \$500,000...\$four to six million dollars of discretionary income spending by 300 plus occupants for the new 200 apartment units. Obviously, the improvement of the existing site, one of the City's most prominent intersections (Bridge and Elm), the new retail space on Elm Street which will consist of about 5,000 square feet;

increase daytime parking capacity Downtown; and what you don't see up there which I think is another key point is that the developer is going to pay \$100,000 in impact fees.

Mr. Dacey stated we know that there's a lot of interest in what the garage agreement would be and what it entails and what those details are and we're prepared to go through those in detail as is the City staff. We are proposing, really, what we think is a fairly straightforward proposition which is that the City invest in the garage and invest in itself in a manner where the City will be getting its money back every year above and beyond the debt service requirement for this garage. I'd like to turn to Tony Marts to go through the detail and again at the end of the presentation we'll be happy to answer any questions you may have.

Attorney Marts stated as you all know this Board has made it clear to this development team that the City of Manchester doesn't want to be in the garage business and as a result we have structured a proposal for the garage construction that, in fact, keeps the City out of the garage business. What we have come to terms with is the City financing of the garage through this bond of up to \$5 million, so the City is in fact potentially borrowing \$5 million to invest in the cost of design and construction of the 300 car garage; that garage will be owned by the City and that's part of the City's protection in terms of insuring that its investment, its loan so to speak is a secure loan. What happens on top of that as we talked about in April is that the developer is going to lease the garage back on a turnkey, triple net basis that goes actually beyond a triple net lease in that the developer is going to be responsible for all of the operating costs, all of the staffing, all of the operating losses, but also for all of the capital improvements required over the life of that parking garage. In addition, the developer is going to be sharing revenue from the garage beginning as early as 2006 when the garage is completed and the residential units are up to our stabilized occupancy level; that income from garage operations is expected to increase over the course of the life of the operating lease. All of this money is, of course, in addition to the fact that the garage itself is a taxable piece of property, it will be taxed to the developer and with the residential unit taxes will be at least \$500,000 based upon a very conservative tax assessment of \$21 million for what is essentially a \$37 million project and it will be at least \$500,000 in taxes at today's tax rate. Those numbers, of course, are going to climb as the years progress whereas the debt service

on the bond cost are going to remain constant. While the garage can be purchased by the developer throughout the term of the agreement, the benefit to the City in that regard is as soon as it's purchased that means 100% of the tax revenues goes directly to the general fund in the City. In addition, as you all know from our previous discussion, during the term of the agreement estimated to be at our permanent financing term the City has the right to force the developer to buy the garage at its fair market value. In that manner by using borrowed money through the bonds you're using the tax revenue to pay for that bond cost, but at the end or at any point during the interim here you're also cashing out with additional funds that are going to really be a return of the City's investment.

Mr. Dacey stated this next slide demonstrates the points that Tony was making...total development project cost of \$37 million and annual debt service on the garage bonds of 20 years at \$460,000 a year...annual tax revenue at the current (today's) tax rate at a \$21 million assessed value as opposed to a \$37 million development budget...the annual tax revenue of \$500,000 and that is expected to grow over the years and so looking at the surplus revenue to the City over a 20 year bond term assuming the taxes increase 2% a year over those 20 years, the City will receive \$2.8 million over and above the cost of the debt service. Or, put another way, the City will take in \$12 million in tax revenues and pay out \$9 million in principle and interest on the garage...a very conservative assessed valuation here...this also doesn't consider revenue that the City may get from our revenue sharing agreement in the garage that is not in here, so we think and I think others who have reviewed this think this is a reasonable approach to this situation.

Attorney Marts stated we had a significant discussion in April with this Board relative to the risks of the City's \$5 million investment or loan into the project for the garage. As we discussed then it has been goal, certainly at the urging of Kevin Clougherty and his staff, bond counsel and the City's financial advisors that we come up with a structure that attempts to bankruptcy proof the claims of the City and ensure that the City does have priority in its position in this project. We've accomplished that in a number of ways including the fact that the City will, at all times, own the garage facility itself and it's interest in the land that the garage is on whether it's the fee ownership or an easement on that property has priority over

everybody else in the transaction including the private equity and the other construction and permanent lending in this project. In addition, you have to keep in mind that the City's priority is protected in large measure because the revenues that we're all relying on for repayment are tax revenues that have the upper most priority in any type of default situation. Our analysis which has been reviewed by the City Finance staff shows that though we're projecting a pre-construction \$21 million assessment on this \$30+ million project, if our assessment dropped below \$19 million that would be the first time we would hit the break even between the taxes generated and the debt service on these bonds keeping in mind that those numbers are at today's tax rate, not at the tax rate two or five or in future years. In addition, we've looked at the rent situation and determined that our initial projected rents would have to drop by more than 25% in order for us to be in a position where again we hit that break even point. Keeping in mind that as rents and revenues go down it's also tied to the assessment basically, so to some extent they're the same issue. The key is that the City will always receive the tax revenues on the entire project. Any future owners of this project whether it is a foreclosing bank or someone that steps into this developer's shoes must honor the developer's obligations relative to the garage. We've made it clear in the contract that we can't sever the garage from the residential units and that, frankly, as I've said before is the big stick that the City has in this transaction...they really get to control the ownership and operation on a going forward basis if there are market conditions that adversely affect some of these values. Also, keep in mind, that no City funds are expended until all the private funds are committed to this project. That means \$7.6 million in out-of-pocket cash being invested by the developers as well as \$25 million or more in construction and permanent financing that will be committed to this project before the City is actually advancing any money towards the garage.

Mr. Dacey stated here you see the project schedule and this shows our anticipated and our possible schedules. Our goal is to purchase the land next April and if we don't purchase it at that time then we've used all of the time we've been allotted. After site plan approval in September we would go out to November '03. So, those are those first two columns and that basically says one way or another the transaction is done before the end of 2003. The maximum schedule really indicates that if it takes much longer to get Planning Board or

ZBA action then that schedule move out into 2004. But, as you can see it is heavily dependent on relatively prompt action by the Planning Board or the Zoning Board and we have no reason to believe that wouldn't be prompt and our belief is given that we could get this done in 2003 and hopefully at the beginning of 2003. Again, this slide summarizes what you've seen before and just reiterates a few points...the \$4 to \$6 million of the residents discretionary spending that would be generated by this project Downtown, the approximately \$500,000 a year increase in property taxes initially and, of course, growing over time. A significant increase in Downtown housing and also increasing Downtown parking options. There's an increase in construction and permanent jobs as well and of course there is an enhanced streetscape and sidewalk because of what's being done on that entire block because of this entire project. Let me turn it to Bill right now to summarize what those actions are before you this evening and then we'll be happy to take questions after that.

Mr. Jabjiniak stated this is a summary of the actions we're looking for tonight. Approval of the Purchase & Sale...pretty self-explanatory; there's a summary that's been attached to the actual P & S itself; the \$5 million authorization for bond expenditure; the EPA or the NH Department of Environmental Services authorization...we want to be able to pursue that fairly quickly; the 108 money as we spoke of earlier, we already have in a line of credit and looking to just commit it to the project; and then authorization for the developer to go ahead and use the design/build process so that they can build this at the same time that the rest of the project gets developed. That concludes the presentation. I know staff is available...Randy is going to be available to handle financial questions and the rest of the staff is available and I think Brian has one other thing he wants to kick in.

Mr. Dacey stated there is one slide we had presented and given some of the questions we've had today, we thought we should immediately go to and this may answer some questions that may come up and this is a summary of the environmental remediation at the site, how that would take place and what's required and let me ask Tony to review that with you.

Attorney Marts stated we know there have been very specific questions about the environmental remediation provisions of the proposed contract. As the Aldermen know

there is a historical groundwater remediation program at the site today. It's really a monitoring program. Our due diligence went a lot further than Grossman or anyone else that has looked at the property and we have done an additional study quantifying and identifying on a pre-characterization basis the urban fill that is on the site. The urban fill does have...it's foundation material, bricks, wood...there is some petroleum evidence and there is some lead evidence probably from things like lead paint...things of that nature. The urban fill situation is not a problem, it's not an environmental source that needs to be removed or remediated until someone actually builds something on the site and then to the extent because the site is relatively small that fill is actually removed from the site, it needs to be disposed of somewhere. So, our preliminary characterization study indicates that even assuming that 100% of the fill that is disturbed on the site through construction is removed, it's most likely to go into a thermal treatment process which is a relatively low cost in terms of the cost of remediation options. Our contract does, in fact, say that the MDC because they are the owners of the property are obligated to remediate the environmental issues at the site. But, what is misunderstood is that obligation is limited to the extent that they only have to remediate the site if: (1) there is reimbursement money available from the EPA, from the NH Department of Environmental Services or other third party programmatic sources that are being applied for. If, in fact, those sources are not available funding then the MDC has the right to terminate this contract before any closing occurs and before any remediation needs to be done. The developer, at that point, has the option of stepping up to the point and advancing all the money necessary for the remediation. In that manner, there is no out-of-pocket risk to the MDC relative to any environmental remediation costs. We've also guaranteed a minimum purchase price on the property irrespective of what the ultimate cost of environmental remediation might be. So, in that manner, we believe and we certainly have the concurrence of the MDC and their lawyers that the MDC is under no obligation to fund any type of remediation without insuring reimbursement.

Mayor Baines stated what I would like to do...we do have two members of the Board of Mayor and Aldermen who sit on the MDC and I'd like to call upon Alderman Thibault and then Alderman Sysyn to make comments and then I'll open it up to members of the Board.

Alderman Thibault stated first of all, I would like to ask them a question that they might answer that might be of comfort to the rest of the Board and then later on I would like to speak to this. First of all, if you could explain to the rest of the Board how you expect this revenue sharing of the garage, I would like everybody to be clear as to exactly how this is going to happen and how the City will, in fact, reap any money from that.

Mr. Dacey replied after we reach a certain level...there's a certain amount of income and expenses are deducted including some structural reserves there is then an allotment of some of that income to the project itself, basically to help finance the project. When we reach that level which is approximately in total income somewhere around \$170,000 or \$180,000 a year...after we've reached that level we then begin sharing on a 50/50 basis with the City. After ten years, if that sharing hasn't equaled \$30,000 a year to the City we then artificially contribute some rent to this formula, so the City can then get more revenue. So, starting in year ten that would work out that if there had been no sharing, it would work out to about \$30,000 a year. Under the pro formas we've reviewed with the City that's probably getting in year 10 and 11 up to \$40,000 to \$50,000 a year. So, that is how the sharing would work. None of that is reflected in any of the numbers you're seeing tonight. We have not given you a total for all that revenue over 20 years or 40 years, but that's additional revenue that would come to the City. Just another point, just to reemphasize again, if we don't make money and we're losing money it's our money that covers the deficits. We can't come back to the City, we're not asking the City for operating subsidies or staff or capital improvements...that's an obligation we have assumed in this agreement.

Alderman Thibault stated, your Honor, I would like to reserve comments until after the rest of the Board has asked questions, if I might.

Mayor Baines called upon Alderman Sysyn.

Alderman Sysyn stated I'll say what I did say at the MDC last Board meeting. This is the best deal I've seen so far on Bridge and Elm and I just hope that everybody goes along with it, thank you.

Alderman Wihby stated I've got a couple of questions, your Honor.

Mayor Baines interjected what we could do is if we could ask every Alderman to limit their questions to two questions and then we'll go to other Aldermen and then we can come back so people won't wait as long as they've sometimes been made to wait.

Alderman Wihby stated, your Honor, we're voting on a project that's pretty big and I think we ought to be able to ask all the amount of questions that we want.

Mayor Baines stated I agree. I just said two at first and then we're going to come back.

Alderman Wihby stated oh, okay. I don't know which two to go to. I've been here...I guess I actually brought forward the proposal for NYNEX to sell the project to the City and the City to buy the project because I thought this was a very important property in the City and something that we wanted to make sure the right thing was there. So, this happened (I don't know somebody said 12 years ago) and I was there. I guess, at this point, I'd like to speak to Finance...if either Kevin or Randy are prepared to discuss numbers.

Mayor Baines replied yes, Randy is the one who has been the key person on finance.

Alderman Wihby stated I guess my first question is, I guess I want someone to explain to me why I should be voting for this project, what makes it better than all the other proposals.

We're trying to look at getting permission or quotes from the other garages to get rid of them because we don't want to own them anymore, but yet we're looking to spend \$5 million to buy a garage and I guess my first question is why doesn't someone just come forward and say I'm going to pay for the garage and I'm taking care of this whole project rather than the City have to pay for the garage. Randy, you tell me if there is a difference. Are we better off if somebody came and bought...and said to us we're going to do this whole project and we don't want the City to buy the garage or does it make any difference the way this is set up?

Mr. Sherman replied, first of all, this is a different project and I think what Brian just told you is they need some of the revenues from this garage to make this project work. We've looked at the numbers and to be honest with you it's a tight deal to make it work. They need for this capital contribution to come from the City to put the garage in because there is no

other parking around there. If they are going to put in 200 resident units, they need to have parking. They need to draw some of that money out of the parking garage and put it into the project. What this does to the City is it allows the City to get daytime parking that it badly needs because the residents are mainly going to use this garage at night unless they're parking it there during the day and they're walking to work, but there will be some new Downtown parking which the City badly needs. It allows the City...the way we've got this deal structured to actually get property taxes from the garage which you don't currently get from any of your other garages. Now, the property tax just on the garage portion pays almost 25% of the debt on the parking garage. We have the ability to, like you said, get out of the parking business, they will operate it. With what that does is protects the City against operating losses which are currently we have on most of our garages and it also protects the City against capital expenditures moving forward...capital improvements and the upkeep of the garage which are currently happening at your present garages. Plus, if the garage starts to make some money the City gets half of the cash flow from it. So, that's the difference of this garage and having somebody else come in. Now, what we found is nobody is going to come into the City and build a parking garage and the reason they're not going to is because of the fees that the City charges. We use our parking garages for economic development. We build them so people can come Downtown, park and do their business. But, at \$56.00 a month nobody can make any money coming in and building a garage, you just can do it. These places go for twelve, fourteen, sixteen thousand dollars a spot. The way this deal is run it's probably going to cost the City about three or four thousand dollars per space. You can't get that deal anywhere else and at the end we have the ability to even recoup those dollars by getting the developer to buy the garage back from us. Now, I don't know if that answered...

Alderman Wihby stated I'm still on this question...is the recommendation from Finance then that this is a good deal for the City to do something like this because we can't find anybody to build a garage that this is another way to do it or would Finance have preferred to sell the land and have someone come in and build something.

Mr. Sherman replied the preference would obviously be for somebody to come in and do the entire project on their own. By looking at this numbers, at least I've come to the conclusion

that that is not going to happen on that spot. I think that we have an excellent deal, I think it provides the City with economic development, gets people Downtown, there's hopefully some discretionary money and it gives you your daytime parking and it protects the City against operating losses, capital losses, brings in more property taxes...I think it's a good deal for the City.

Alderman Shea asked is it conceivable that instead of spending \$5 million, the cost of the garage might be \$4.6 million or \$4.5 million or what have you.

Mr. Sherman replied another developer has gone out and tried to get a couple of bids on a parking garage...the bid that I looked at was for about 10% less, about 4.5/4.6%...that number was higher construction costs...didn't count all of the design, but even if it comes in over the \$5 million, the City's contribution is capped at \$5 million and that \$5 million contains \$50,000 for the City to have sort of a clerk-of-the-works, somebody to watch out for our interest on the project. Now, obviously, if we can do that in-house we will, but we had the developer include \$50,000 in there to protect the City's interest.

Alderman Shea in reference to design/build asked would that be of benefit because of the design/build that you alluded to.

Mr. Sherman replied I think the reason why we need the design/build is because the City is not going to actually build this garage under our normal process. We need the developer to build the garage as part of the entire complex and hopefully through that process they can save some money by having people on site at the same time...

Alderman Shea stated we will have people on site too to make sure that whatever costs the City might incur would be to our advantage to have the garage be as economical as possible.

Mr. Sherman replied yes that is true and we would have full audit ability on all of the invoices and the contract and the design and everything else, yes.

Alderman Smith asked why are we going this way with the bonding, how come we didn't go with a revenue sharing bond.

Mr. Sherman replied again there aren't revenues in this project to pay for the garage, if there were the developer wouldn't need us. The way we've got the actual bond resolution structured or the way we have the financing resolutions structured...what it does is it has the City authorize the \$5 million in bonds, but it also tells the staff to go and try to see if there is other money out there that we can find. As we mentioned before, maybe...we've got the other garages that maybe we can sell and shift some of the dollars over there...there may be some other available financing techniques that we can use rather than a straight general obligation bond.

Alderman Smith stated one more question, but not to you Randy. I would just like to ask, Bill, if we apply for the EPA at the site is there any guarantee that we're going to get that money?

Mr. Jabjiniak replied there is never a guarantee, Alderman. We are, certainly, looking to take advantage of EPA's visit here a little bit ago, I was at a conference a week or so ago...there's money, there's new legislation that takes effect on October 1st, there are funds available and the question is always asked why isn't Manchester involved...Nashua, Concord, some of the smaller cities in the State are already accessing some of those funds, so nothing is ever guaranteed until it's actually in-hand, but I feel very confident with that.

Alderman Smith asked if they do find soil contamination who is going to pay for this, is it going to be a decrease in the \$750,000 up front...in other words, the City will be receiving less.

Mr. Jabjiniak replied that is one of the scenarios that I'm going to let Tony explain in detail.

Attorney Marts stated our mutual goal with the MDC, of course, is to get remediation reimbursement from EPA or from some other sources. If, in fact, no remediation money or reimbursement is available then the developer will advance the cost of remediation and take that advance as a credit against the purchase price, so the answer to your question is yes there will be a deduction from the purchase price, but there will also be a minimum guaranteed price to the MDC. The reality being that if this developer doesn't advance that money for the remediation then the next builder on that site is going to face the same problem. So, the MDC's position is one way or the other we need to provide a clean site to someone. So,

we've done this in a manner that two basic and very good options to get that site cleaned up without any real cost to the MDC.

Mr. Fradette stated if I may on that question because it did come up at the MDC meeting as well because it's really our fiduciary obligation as a non-profit organization charged with being responsible for the property and the bottom line is MDC owns the land and if there is a \$750,000 liability on that property, that is our liability. This proposal guarantees us either get out of the deal if it turns out to be too expensive to remediate or a minimum return of \$150,000 and because our charge as MDC members is in discharging our fiduciary obligations includes the economic development of the City of Manchester...we did specifically discuss that point and came to the unanimous conclusion that we were discharging our responsibilities in authorizing our Chairman to sign the Purchase & Sales Agreement subject to the BMA's approval; that we thought it's a risk for sure, but it met our obligations.

Alderman Lopez asked I wonder if you can go over the purchase of the garage by the developer and what I've been provided by Bill is that I understand that up to 20 years if you wanted to buy the garage you would pay what it cost to build the garage and at the end of 40 years you would pay market value, is that true?

Attorney Marts replied there are actually three different 20-year periods that we deal with in terms of the purchase of the garage. In the first 20 years when the bond is outstanding, as you know the tax revenues are paying the debt service on the bond. On the fifth anniversary our contract says we can pay the then outstanding principal balance of the bond and at that point we can own the garage, there has been of course some payment of principal already on the garage, but the benefit to the City is now the half-a-million dollars plus of tax revenue is freed up for other purposes in the City's budget. So, we wanted an early incentive for the developer to just get the bond off the table so you can start spending that money elsewhere. Over the next 15 years at the 10th, 15th and 20 year anniversary we use the same type of formula, but following up on what this Board said at our last meeting...in year 10 we could buy at whatever the balance of that bond was in year 5, so we're looking back and paying a higher principal balance in year 10, but then we're also adding to that all of the interest that was paid during 6 thru 10. In year 15 we look back at the 10-year principal balance, but then

we add back all of the interest from years 6 thru 15. Similarly, in year 20 we look back to the year 15 principal balance, but again we add back in 15 years worth of interest. Trying to come up with a formula that gets the City reimbursed as much of that cash flow as possible, but at the same time the most important consideration is freeing up the tax revenues elsewhere in the budget. In the second 20-year period, Alderman, which is a period we anticipate will be ripe for refinancing the project overall, the amount that would be paid keeping in mind that at that point the bond has completely been paid off, the developer would have an option to purchase at the original cost of the garage, the \$5 million figure. So, you've not only paid for the garage through the revenues generated, but then you get your \$5 million of borrowed money back so to speak through that purchase and then it's in the next 20-year segment where the City does have the right to force the developer to buy at the fair market value. There has, in fact, been some preliminary concerns on a fair market value analysis in that the staff has been looking at selling your other garages and as a result our discussions with the staff resulted in trying to come up with formulas that would fix real numbers to the City and take away some of the market risk for the City itself.

Alderman Lopez stated in reading this just to follow-up, I think Alderman Smith mentioned it...a little confusion as to whether or not the developer can walk away...according to the document I'm reading..."the developer shall have the right to terminate this agreement by written notice to MDC if it exceeds \$600,000 for the environment." With that, why wouldn't there be a guarantee if the MDC would clean it up and you would go forward with the development?

Attorney Marts replied that \$600,000 benchmark is in part geared toward the fact that we've promised a guaranteed price of \$150,000, so that \$600,000 is basically used assuming there is no reimbursement money available for the remediation, so the developer is going to advance 100% of the cost of remediation. At that point, we were at risk potentially of spending much more for the property in remediation plus the \$150,000 than the property is actually worth, so that option is provided at that point, but you must keep in mind that at that point we haven't closed on the project, we haven't started construction, so as a result there is no remediation that is legally required and more importantly there has been no expenditure of either City or MDC funds.

Alderman Gatsas stated for, Mr. Jabjiniak, it wasn't a unanimous vote, it was 13 with one abstention (for the record). Randy, on a follow-up to Alderman Wihby's may it not be possible that the City is trying to over generate that lot with expectations of revenue and that's why we must participate? If we were looking for...instead of generated \$500,000 worth of taxes, if we generated \$200,000 worth of taxes maybe the City would not have to participate in a garage or any of the other things that we've heard from the developers.

Mr. Sherman stated I assume that's probably possible, but I don't know what you would put on there that would generate \$200,000 and not need parking. You could be a Shell Station there and you wouldn't need parking, I just don't know if that's what you want there. If you want to put an office building there, if you want to put a residential building there you need to have parking. There isn't enough parking in that part of the City to handle that. I think the folks next door at the Brady Sullivan Building would tell you that. I believe there parking over in the Pearl Street Lot and I think they would like to have parking close, I think that's what we hear throughout the Millyard and the Downtown.

Alderman Gatsas stated but a follow-up is that maybe we're looking at projects that are maybe too big for that lot and if you could tell me that a gas station is going to generate you \$200,000 worth of taxes then maybe that is what should go there. I'm just saying that maybe we're just forcing this lot for 150,000 square feet of office space where you may not need, if you had 100 units of housing there, maybe the developer could do a deal without looking for assistance from the City.

Mr. Dacey stated, Alderman, can I take a crack at that.

Mr. Sherman stated I think I'll defer that question to someone else.

Mr. Dacey stated we looked at this. After our very first meeting here we went off and said how many different ways could we do this and is there a way to come back to the City without the City needing to do anything. I think the exact number was about 40 units of housing because we'd then have to have the parking to accommodate that. You might have 40 units of townhouse type housing, you might have 80 to 120 residents depending on the size and you'd have a surface parking lot and our conclusion was it does not seem like the

right thing for one of the premier corners in Downtown Manchester and in addition my response would also be it isn't just the tax revenue, it's the 300 to 400 people living there and the expenditures they're making Downtown and the businesses that are growing Downtown and the tax revenues that then come from those businesses as well. So, a gas station might have a couple of hundred thousand dollars worth of taxes, but it won't have the spin-off effect that the residents will here.

Alderman Gatsas stated a question for Mr. Dillon and this is maybe outside the realm, but I now that he's looking...Kevin, I know you're looking to build another parking garage at the Airport and if I remember correctly the last time you sat in front of us when you built your 500-car parking garage you were at somewhere around \$10,000 a unit, are you relatively close to that same pricing for the next garage that you're doing.

Mayor Baines stated maybe there could be discussions about the difference of building at the Airport and then the difference of building at Bridge and Elm.

Mr. Dillon replied you're correct that when we built the parking garage it came out to \$10,000 per space, I think that was quite a remarkable price that we received. I do believe that if we built the same garage today, we would probably be more on the order of closer to \$15,000 per space.

Alderman Osborne stated the total cost for the project is what \$37 million. But, if this project goes over that amount let's say 10% or whatever it might be, how would this affect the project?

Mr. Dacey replied if the total cost grew...right now, we're carrying about a 13% contingency in that it's really...there's the \$5 million construction garage budget, the \$32 million development budget for the apartment complex, we're carrying about a 13% contingency; that equates to approximately \$2.5 to \$3 million. We think that contingency will cover any problems we run into. If we then ate up the contingency and went beyond that then if we've structured this with a lender based on the rents as they are we would have to put up more equity to continue the project and finish it off. Basically, as developer's we have to guarantee the bank that for the amount of money we said it was going to cost we'll finish it

for that amount and we guarantee completion and if we run into problems it's up to us to fund it.

Alderman DeVries stated probably my question is for Randy...we spoke yesterday. To follow-up on yesterday, we spoke about the potential use of Brownsfield money of other EPA grants and whether they would require a matching component from the City...were you able to get that answer?

Mr. Jabjiniak stated if the question was is the Brownsfield money require a match, the answer is no.

Alderman DeVries asked how about other EPA grants or any other grants that we might be pursuing.

Mr. Jabjiniak replied I believe there is one other program that does require a 20% match and there is also some revolving loan funds, there's some direct monies, but I think the resources that have the most money in it from EPA is what we would be pursuing and that does not require a match.

Mr. Dacey stated if there was a match we'd advance the sale funds to allow MDC to match it, if that's what made sense at the time.

Alderman Garrity stated I guess I have a question for Randy and Brian also. On the \$5 million garage, the bonded money...at what point do we have to commit the funds to the garage when the project starts...so, let's say the site can't be cleaned up because it's too expensive or something like that and the deal falls through...at what point do we have to commit the \$5 million for the bond for the funds for the project.

Mr. Sherman replied what they're asking for you to vote on tonight is the resolution that is the first of two votes on the resolution that would authorize us to issue that debt. Now, my understanding is that they need to have that authorization in place so they can procure the rest of their financing. The City will not issue that debt until they're in the ground starting the construction. The way that we fund the garage is through a drawdown. As they spend the money, they'll come back and make that request from us. So, we're not looking at actually selling that bond until maybe '05 or maybe even a little bit later depending on the

actual cash flow of the construction and again, hopefully, by that point we may have other funding sources that we can use rather than the debt.

Mr. Dacey stated our money will be going in at the same time, so just to reiterate it it isn't a case where the garage is starting to go and our money hasn't gone in, our money is going in and all that construction is happening at once.

Alderman Guinta asked from a procedural standpoint is it my understanding that this needs to be removed from this agenda?

Mayor Baines replied the procedure as explained to me by the Deputy Clerk so we can deal with this instead of waiting later on in the agenda...I'll accept a motion to remove it from the Consent Agenda and then we would deal with it, Carol, that is what you told me anyway. Would you like to explain it yourself?

Deputy Clerk Johnson stated the motion would be to remove that item from the Consent Agenda, I believe it's Item I and to refer that item directly to the Committee on Finance, at this time.

Mayor Baines stated then I would recess the meeting and go to the Committee on Finance so we could deal with it up front.

Alderman Guinta moved to remove Item I from the Consent Agenda and refer that item to the Committee on Finance. Alderman Sysyn duly seconded the motion. There being none opposed, the motion carried.

I. Bond Resolutions and Resolution relative to the Bridge and Elm Development Project:

“Authorizing The Issuance of Bonds and Notes for the Manchester Place LLC Parking Garage Construction (\$5,000,000). Authorizing the Mayor and Finance Officer to Seek Alternative Sources of Funding for this Project, Authorizing the Execution of a Purchase and Sale Agreement with the Proposed Developer of the Bridge and Elm Property, Providing for the Use of a Design Build Process for the Construction of the Proposed Public Parking Facilities to be Constructed at the Bridge and Elm Location and Authorizing the Mayor and Any other Designee Thereof to take any and all Other Actions to Accomplish the Purposes of this Resolution.”

“Amending the FY2000 & FY2002 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Five Million Five Hundred Thousand Dollars (\$5,500,000) for FY2002 CIP 613402 Bridge & Elm Development Project.”

Item I having been referred to the Committee on Finance, on motion of Alderman Smith, duly seconded by Alderman Thibault, it was voted to recess the regular meeting to allow the Committee on Finance to meet.

Mayor Baines called the meeting back to order.

A report of the Committee on Finance was presented recommending that Resolutions:

“Authorizing The Issuance of Bonds and Notes for the Manchester Place LLC Parking Garage Construction (\$5,000,000). Authorizing the Mayor and Finance Officer to Seek Alternative Sources of Funding for this Project, Authorizing the Execution of a Purchase and Sale Agreement with the Proposed Developer of the Bridge and Elm Property, Providing for the Use of a Design Build Process for the Construction of the Proposed Public Parking Facilities to be Constructed at the Bridge and Elm Location and Authorizing the Mayor and Any other Designee Thereof to take any and all Other Actions to Accomplish the Purposes of this Resolution.”

“Amending the FY2000 & FY2002 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Five Million Five Hundred Thousand Dollars (\$5,500,000) for FY2002 CIP 613402 Bridge & Elm Development Project.”

ought to pass and layover.

Alderman Guinta moved to accept, receive and adopt the report of the Committee on Finance. Alderman Smith duly seconded the motion. A roll call vote was taken. Aldermen Guinta, Sysyn, Osborne, Pinard, O’Neil, Shea, DeVries, Garrity, Smith, Thibault, Forest and Wihby voted yea. Alderman Lopez voted nay and Alderman Gatsas abstained. The motion carried.

Mayor Baines stated before we take a brief recess I want to echo some of the comments that were made especially how people worked very hard especially the development team but the professional staff that works here at City Hall and also I want to commend the Aldermen because I know this has been a difficult decision...the Aldermen have worked very hard, they have had very legitimate questions and everyone has worked hard to come to this

conclusion. I believe this decision that has been made today and again there will be another vote in two weeks is a very significant decision for the future of our City and I want to commend everyone for this effort on behalf of all of the citizens of the City of Manchester.

Mr. Dacey stated can I also thank you all...the Mayor and the Board of Aldermen for your courteousness, your attention, the quality of the dialogue and I really would like to thank the City staff, all the many attorneys and other professionals who have worked with us and this has been an arduous yet, right now, a rewarding process and we'll work very hard to make you proud of this.

Mayor Baines recessed the meeting for approximately five minutes.

Mayor Baines called the meeting back to order.

Alderman O'Neil suggested negotiations be taken up the next evening given the late hour and the balance of other items left on the agenda. Members of the Board so concurred.

Mayor Baines excused Mr. Hodgen from the meeting.

5. Discussion regarding alternatives for the Carol M. Rines Center.

Mayor Baines stated we will discuss the Carol M. Rines Center and the proposal to construct a free-standing Senior Center and also deal with the West Side Library issue. We'll have the presentation about the possible uses of the Carol Rines Center and different configurations that the Planning Department is going to demonstrate to the Aldermen this evening and also an outline of the construction and the proposal of the free-standing Senior Center on the west side and also dealing with the West Side Library issue and some additional issues related to housing. What I am going to ask at the end of the presentation that we have a motion to refer this to the Committee on Lands and Buildings, so at that time the Aldermen have the opportunity for all the department heads affected by whatever occurs have a chance to come in and address the Committee and obviously the rest of the Board could be invited to attend, so that we hear from the different departments affected by whatever we do here and also that Barbara Vigneault and her staff would have the opportunity to be heard about some of the surveys that they've done with seniors around this issue and give them the input before any

decisions are made by the Board of Aldermen. Having said that, now I would like to introduce Mr. MacKenzie the Director of Planning.

Alderman Gatsas asked in lieu of the time, why are we doing this presentation now?

Mayor Baines replied I think so that we can be out in the open, so we get it on the table, there was a request for a presentation to come back to the Board and then it should go to committee as I've so indicated, so that's why. Let Mr. MacKenzie proceed.

Alderman Gatsas stated the Board can take a vote tonight if it likes.

Mayor Baines stated the Board could, but I would not recommend it because we haven't had an opportunity here from all of the departments impacted or a presentation by the Elderly Services people and I think they deserve that and since this is on the floor for the first time tonight that we would be courteous to that request to have an opportunity for people to be heard, but that's a decision of the Board.

Alderman Garrity asked doesn't it normally go to a Committee of the Board, Lands and Buildings.

Mayor Baines replied there was a request that...we did discuss that, there was a request that this initial presentation be made to the full Board, so that's why it's being done tonight otherwise it would have followed that procedure and it should be referred which is my recommendation.

Alderman Gatsas asked wasn't there another presentation we asked for by this Board.

Mayor Baines asked why is it controversial to have...

Alderman Gatsas interjected I think that the Board asked as a request to look at the Rines Center and also consolidation and a Senior Center, well that's not here.

Mr. MacKenzie stated the Board did ask for that as well and that is in the presentation.

Mayor Baines requested Mr. MacKenzie to proceed at this time.

Mr. MacKenzie stated for the record my name is Robert MacKenzie, I am the Planning Director. With me tonight is Pamela Goucher our Deputy Planning Director. You will see before you tonight a fairly brief package, the front page is a quick summary of this proposal and we will try to step through it fairly quickly, I know it's been a long night already, but as you may remember a lot of these have been very difficult issues that the Board has faced. So, I would like to begin by talking to the fact that a number of City departments and the Senior Center have faced inadequate space over the past couple of decades. This particular proposal is a fairly comprehensive approach that looks at four basic pieces to address most of the City's outstanding space issues. The four pieces are the Rines Center, the Senior Center, the West Side Library and the Brown School. The first, The Rines Center, the Board has acted for the staff to proceed with looking at a purchase and sale of the building. The building is located at the corner of Elm Street and Brook...the 33,000 square foot building...a number of City staff have reviewed the building and determined that it's in excellent shape and the Board asked that we review options for putting departments in those. So, I just wanted to jump right in and look at the space planning that was requested and show you what could actually fit in that building. First of all, the building is three levels. The top two floors are smaller, they're actually part of an original building...the lower level is much larger...there was an addition to the building a number of years ago. In either option in the options that were looked at we looked at a number of agencies, a number of City demands and those include the possibility of MCTV if that does come together. In conclusion, we have already reached that the future space demands for MCTV could not be accommodated in this building, they are looking for 10,000 square feet. Other uses: Office of Youth Services (currently rent), Welfare Department (currently rents), the Health Department (currently rents), the Senior Center (currently rents), there is also a need for City Archives which if you've been in the basement of this building you can see it's clearly in adequate. There has been a need for a training center which the City does not have and some other miscellaneous spaces. So, looking at all of the different functions that are required not all will fit in the Rines Center, so I do want to run through the two options. In either of the two

options, the top two floors of the building would remain the same. You'll see on the top here what would be the mezzanine level. This is the third floor of the building, it's roughly 3,000 square feet excluding the restrooms and elevator and mechanicals. It is unfinished space although it is in very good condition, has windows and is not air-conditioned at this point. This space would actually work out in any scenario as the best for the City Archives...it lays out well, it's a very rectangular space and very regular space and again in either space it would work out well. On the main level and again in this case we're looking as if we're from Elm Street and if we're at Elm Street the main entrance into the lobby would be directly here (on the west side of Elm Street). As you go into the lobby there is a potential to keep the McIninch Gallery which was recently completed for Notre Dame College, it's a relatively small space (approximately 800 square feet). Behind the gallery and just past the lobby would be space for the Welfare Department which lays out to be larger than their existing space, but it does lay out fairly well. You'll not that the darker lines as shown in these drawings are proposed partitions. So, there is some renovation costs involved, we have looked at those and have gotten a rough estimate of the renovation costs. Also on this level would be circulation, two restrooms, elevator...so the building does layout well, it is ADA accessible and will meet other codes of the city and federal and state governments. So, in either scenario the top level would be Archives, the main level would be the Welfare Department and a Gallery. Moving onto the lower level, I'm first going to show you the layout which would include a Senior Center (outlined in the purplish color). You can see that this particular level is much larger than either of the two top levels. There's actually currently a courtyard area which the building that has skylights and has very nice space that would stay a courtyard in this scenario, multi-purpose rooms, crafts, administrative offices, exercise rooms...this particular proposal works out to just about 15,000 square feet. Also, housed on this particular level would be the Office of Youth Services which would have a separate entrance and this goes out to the alley behind and would also be a separate entrance for the Senior Center out toward the parking area. If you're familiar with this building Brook Street in on this side and Langdon Street is on the other side. The lower level (in yellow) would be basically training and meeting rooms that could be used by all City agencies. The second option involved would put the Health Department on this level (again, in blue) would be the Health Department, they require roughly 18,000 square feet. This

would have a slightly smaller training area, the Office of Youth Services would remain in the same position. So, in these particular cases you could not have all of the agencies that were discussed before in the building. You'd have all of the primary agencies that are currently renting housed here, however, and the Board does have the option of putting either the Senior Center or the Health Department within this building. Generally, in this proposal, our staff would be recommending the latter...having the Health Department and there's basically three reasons for that. The first reason is that the Health Department does have a strong affinity towards both Office of Youth Services and the Welfare Department, they do work very closely, the clientele is frequently quite the same and there can be efficiencies and economies if these departments are, at least, housed together and that's separating the separate issue of whether these should be consolidated or not...there would be close working relationships. So, that's the first reason. The second reason is that generally based upon surveys and hearings the Seniors are disinclined to be housed with other City departments such as Office of Youth Services and the Welfare Department. The third reason that if the Senior Center went here and the Health Department had to go elsewhere, generally, the costs would be higher. We looked to compare apples-and-apples...if the Health Department went over to the other site that we're recommending for the Senior Center on the west side the cost will approach generally \$500,000 higher. So, we are recommending at this point that this particular Rines Center be utilized for the Health Department, Office of Youth Services, training facility, keeping the McIninch Gallery, the Archives Center for the City and the Welfare Department. Moving onto the number two item on the list...the Senior Center.

Alderman O'Neil asked, Mayor, can I ask just one question. Bob, is this to meet current staffing levels.

Mr. MacKenzie replied there's some anticipated growth here. The Health Department, of course, is facing a lot of different issues than it was even five years ago, so there is growth included in all of these agencies. I think what's nice about this building is that there is growth built-in in the mezzanine area which is unfinished now. There is room for some additional growth. Also, there is room for growth, for example, in the training room if the City found another location for a training room.

Alderman O'Neil stated I'm looking at six offices isn't that what they currently have?

Mr. MacKenzie stated their staffing has remained relatively constant, but what you can do in this location if there was a need for growth in either Health or OYS you could find another location in the City for a training room...this section of the Health Department could move over and then OYS could expand and vice versa.

Alderman Wihby asked what's the bottom...did you go over that yet or are you coming to that, the \$559,000 versus the \$445,000?

Mr. MacKenzie replied I'll get to those numbers in just a minute. The City, of course, has been looking for several years for a Senior Center site and there's been a lot of variations, a lot of sites available. The Board has actually discussed some and eliminated some from discussion. At the present time, one of the options for it and perhaps to move ahead what we would be recommending is that a new free-standing Senior Center be built as an addition to the West Side Community Center. On this particular map you see Main Street on the lower portion, Douglas Street is here...the existing West Side Community Center is housed in this building, a former fire station. The lower level is actually the current Library, the main level is the Senior Center and the upstairs are separated into offices used by both the Library and the Senior Center. This proposal would acquire three properties to the south of the site, three residential properties. A new free-standing Senior Center would be built here of at least one level probably with either a portion of a second level or a basement facility. It does set up well for a walkout basement because of the grade changes between this site and So. Main Street. There would be a connector into the Library because there is an interest to keep that integration and the seniors frequently use the Library at this site. There would be parking out back. The access is relatively poor right now. Right now, you access it via an alley out to West Street. The access would actually have three access points...two to Douglas and then keeping the old West Street access point as basically an emergency or a secondary access point. There would be parking...buses when the seniors go on tours, the bus loading would be out front, also when St. Joe's delivers Meals on Wheels they could also use that area as a delivery area. The existing building then, the third item on the list here, the existing building would be converted fully into a West Side Library...that would mean that their

space would more than double on this particular location. They would use all three floors for the West Side Library. The fourth item listed, the Brown School, has been discussed for a Senior Center, for a West Side Library...at this point we would be recommending that the Brown School be utilized for housing. It lays out well for housing...other old City schools have been used such as Varney School which was used for the old building but an addition put on and it would perhaps be in the best interest of the City to request different proposals. Any land sales that we received the Board could act that those land sales be utilized for helping to pay for the final portions of this overall project. I would note at this point that the City is very close to being able to finance this entire package of both the Rines Center, the Library and the Senior Center. One of the proposals in this year's CIP was roughly that \$250,000 be identified as private funding raising for the Senior Center and if we got close to \$400,000 from the sale of the Brown School that would essentially pay for all of these improvements. But, again, we would have to find out what the true cost of the Brown School was. At this point, that's a quick skim of the various proposals. I do want to get back to Alderman Wihby's question about the costs related to the Rines Center. Were there any questions on the actual drawings?

Alderman Forest stated in this particular area you said you were going to purchase three lots. Now, I'm familiar with the first two next to the Library...the third one would be the one on West and Douglas.

Mr. MacKenzie replied it's not on the corner, it's one building back. There are two white houses that face Main Street. Up very close to Douglas Street is an older three-family building located right here that would also have to be acquired.

Alderman Thibault stated isn't it a dark-colored building.

Mr. MacKenzie replied yes it is.

Alderman Forest stated I know the back alley dead ends now right at Main Street with a sidewalk, I haven't been there is a while but there are a couple of other three or four tenements there on Douglas Street, how would you get a bus in there.

Mr. MacKenzie replied the bus would either generally come up or down Main Street, turn onto Douglas, take a right-hand turn...we did check the turning radius, right-hand turn into the site. There's a separate bus loading area and then when it would go to exit it would come around out of the parking lot and have a separate exit point onto Douglas Street. Right now, you can't do that via West Street people have to load in different locations but you can actually bring a bus in, load and exit the site here back to So. Main Street.

Alderman Thibault stated knowing the area quite well and I brought this up before when this was proposed...Douglas Street is a 30-foot width street which is very narrow. Isn't there a way that we could maybe cut (on both sides of the sidewalks) and make that street a little bit more accessible than what it is because with buses coming in there and with all of the seniors going in there, I see that as a problem especially with West High School right across the street that most of the kids, a lot of the kids from West High School park in these areas. So, I know that that is going to create a problem and I'm just wondering if we just couldn't widen Douglas Street to that point from West Street to Main Street.

Mr. MacKenzie replied that is a possibility, the houses on Douglas are fairly close to the front property lines and there's a relatively small sidewalk. Generally speaking though, you can go down to as low as a 24 foot wide street and have relatively good access for buses. Many street standards are 24 feet, so 30 feet...it's certainly better than West Street which is a very narrow...it's probably 15 or 16 feet wide...overall Douglas...of the different streets in this area from the old upper portion of Granite or Conant, Douglas is perhaps the best access into this area.

Alderman Lopez stated first, I would like to say, Bob, you did an excellent job on this over two years, but I really believe that this is the right way to go. One question on the Senior Center...could you go over the walkout, the basement would be street level.

Mr. MacKenzie stated sure, in this particular case, if you remember this site these two white houses actually sit up on a hill. So, when you're at the West Side Community Center, it drops about six feet from this point down to the intersection of Douglas and Main Street, so if you have a six foot drop and you put the first floor of this being up a little bit, you could actually have a basement where there's windows on both the east side and the south side and

potentially have a walkout point or a patio located right here along the edge of Douglas Street and So. Main Street. So, the grades work out well if you're familiar with that site.

Alderman Lopez stated when this goes to Committee, I would hope that the Committee have a meeting as soon as possible to get this thing on the road because this is four great projects that really, really help the entire City.

Mayor Baines stated I would urge Alderman Thibault to call the meeting as soon as possible on this.

Alderman Shea asked, Bob, if we tried to put both the Health Department and the senior in the Rines Center, you said that was not possible, is that correct?

Mr. MacKenzie replied it's not realistic because you'd have to have the Senior Center probably split on two or three levels and you would not be able to put Welfare or the Archives or OYS in, it's just not a reasonable combination to put those two together.

Alderman Shea stated now you didn't discuss publicly how much we would save in rent if we were to move the Health Department, the Welfare Department and Youth Services over to the Rines Center, can you guesstimate that.

Mr. MacKenzie replied guesstimated the current rents of those are about \$200,000 a year. The problem is that we're facing a Health Department need for significant more space that they're going to have to rent and the rents are going up for all of those departments and will be coming up over the next few months, coming due, and the price is going to escalate fairly rapidly since the Downtown rents are going up and they're facing space increases. So, I know the Finance Department has run some numbers for what those future costs would be and they become very significant...\$200,000 (currently) is a lot of money each year. But, clearly the first run that Finance did showed that if we put those agencies that are renting into City buildings we would in essence be saving money.

Alderman Shea stated maybe this is a comment...I really agree with the way that this is presented. The Brown School has been vacant for a long period of time, it makes sense to put that into housing, the West Side Library is crying for additional space which could be accommodate, a Senior Center which is a self-standing building is what the seniors really

have wanted from the time I've been on the Board and also we can fulfill the responsibilities towards the City government by putting City departments into a building where we would save on rent. There would be no problems in terms of the senior's concern for Youth Services being in the same building as the seniors are and even though they're a different egress there is the problem of outside the building or cars being parked there and so forth. The young and the old need a separate way of existing and (not all of the time), but some of the time and I think that your staff should be commended and I appreciate the presentation, thank you.

Mayor Baines stated I appreciate your comments and the other reason why I want Alderman Thibault to call a meeting as soon as possible...there are some very significant emerging needs from the Health Department that Fred is prepared to address...a lot of this in the aftermath of September 11th...there are some things his department is doing to gear up for the next phase of our preparedness related to health issues which are very, very significant and that is one of the reasons why we're also behind this proposal.

Alderman Smith stated I'm a relatively new kid on the block, as a new Aldermen for several months, but I have been very involved with the elderly people over on the west side and I can remember having a meeting with the Mayor when I was an Alderman-elect and this was proposed and we had to sort of keep it quiet at the time and I have several correspondence from the Elderly Services Department and they really recommend and they really want it over on Douglas and So. Main Streets and I would encourage the people in Lands and Buildings to vote this proposal for the west side, thank you very much.

Alderman Wihby asked, Bob, how much on that second...is it 10,000 square feet you're giving them on the west side?

Mr. MacKenzie replied the west side would be approximately 14,500, the 10,000 is actually the footprint of the building.

Alderman Wihby stated both of them are pretty close to the same footage.

Mr. MacKenzie replied yes.

Alderman Wihby stated parking is 55...is that what I get from the west side.

Mr. MacKenzie replied yes.

Alderman Wihby but some of the 90's is taken by the departments, how many did you figure out?

Mr. MacKenzie stated my guess was that they're comparable in both locations.

Alderman Wihby stated the only difference would be the Health rent as far as if you moved it or not because the other ones, the OYS and Welfare are not paying rent anymore either way in either proposal, what's the Health rent?

Mr. MacKenzie replied that's harder to pin down because their needs have changed so drastically that they realistically can't stay where they are anymore.

Alderman Wihby in reference to the 18,200 sf asked is that the new number they need or is that the old number?

Mr. MacKenzie replied that's the new number.

Alderman Wihby asked what are they paying now roughly?

Mayor Baines requested Mr. Rusczek to approach the nearest microphone.

Alderman Wihby asked what do you think you're going to be paying, Fred?

Mr. Rusczek replied we're currently paying about \$80,000 but it is for space that is not ADA accessible, it is grossly undersized and is not fit up for Health Department...

Alderman Wihby asked so what do you think about \$120,000 or so?

Mr. Rusczek replied we would probably be in the order of if we paid \$15.00 a square foot we'd probably be closed to \$150,000.

Alderman Wihby asked Bob, can you go over those bottom numbers?

Mr. MacKenzie replied sure. When we looked at just the Rines Center the cost of the fit up is slightly higher roughly \$100,000 higher for the Health Department and that's because the Health Department has much more specialized needs. I mentioned earlier that when you

compare apples-to-apples though if you put the Health Department at the West Side Center because of the difference in the space needs and the specialized needs the overall cost goes up by roughly \$400,000 because they need more square footage than the Senior Center on the west side, again there are specialized needs in terms of labs/clinic areas. So, looking just at the Rines Building itself the costs are higher to have Health in there, but because they have such specialized labs and other requirements.

Alderman Wihby asked what happens if you assume that you're going to take Proposal #2...Health was going to go out and rent for \$150,000 a year, they would be the only City department that rented, you would still do the Brown School and the West Side Library could still expand because they're going to go into the Community Center. So, you'd still have a bigger Library, the Brown School...the only difference is you're paying \$150,000 more in rent for Health, but yet how much money are you saving in the bonded debt of the other building, what's that number?

Mr. MacKenzie replied if you took \$150,000 you're probably talking at that annually estimates out to about \$2 million in bonding capacity. Frankly, simply it does not pay any city to rent for more than a couple of years. It should only be in an emergency stop gap situation unfortunately we've had to rent now for the last 20 years, but it does not make any sense from a financial standpoint to continue on to rent because it just does not pay the City, it costs more to rent than to own a public facility.

Alderman Wihby stated we used to have graphs that said if this thing happens here and some of the years out and everything else...if you looked at that graph assuming Health was going to rent, it would still be cheaper to have a Senior Center on the west side.

Mr. MacKenzie replied I'm not sure of the question, can you rephrase that. If you compare apples-to-apples the cheapest approach is to put the Senior Center on the west side and the Health Department in the Rines Building. Once you get down to apples-and-apples. If you start mixing in rental costs, it harder to compare apples-to-apples.

Alderman Wihby stated if we went with the Brown School the way it's proposed, the West Side Library expanded and Health being the only one...we're going to have to fix the West Side Senior Center...how much is that going to cost?

Mr. MacKenzie replied fixing the building to put in a Library would be in the order of about \$600-700,000.

Alderman Wihby stated no, making it a Senior Center, how much is a Senior Center?

Mr. MacKenzie replied the Senior Center itself is about \$2.5 million.

Alderman Wihby stated so you're paying \$2.5 million there and then you're using this number here \$2.325 million...is that just for the building, for the Rines Center.

Mr. MacKenzie replied it is for acquisition only, yes.

Alderman Wihby stated then \$445,000.

Mr. MacKenzie replied for fit up and relocation and connections and everything else.

Alderman Wihby stated if you just went with Proposal #2 you're paying the \$2.325 million plus \$445,000...you don't have to pay the other \$2.5 million, right.

Mr. MacKenzie replied correct.

Alderman Wihby asked what's the debt on \$2.5 million?

Mr. MacKenzie replied the initial debt service would probably be on the order of...I'm just guessing...of \$160,000.

Alderman Wihby stated which is basically the rent for the Health Department.

Mr. MacKenzie stated what you have to look at is the rent over a 20-year period is going to go up considerably higher with inflation while the debt service will not. So, you're starting out close to the same number, but in the long-term the total building cycle costs are much cheaper.

Alderman Gatsas stated I guess the scenario that I would have...the Health Department just stated now that if they need 10,000 square feet...at \$15.00 a square foot which is...

Mr. MacKenzie stated no, I believe they need 18,000 square feet.

Alderman Gatsas asked explain to me why because that's an addition of employees, is that what it is?

Mayor Baines stated let Fred address that.

Alderman Gatsas stated no, I think Mr. MacKenzie made that statement, isn't that what you said as the beginning?

Mr. MacKenzie replied I indicated that they have faced a lot of changes and I think the Mayor had indicated that and they're looking to get funds from the CDC that would add seven employees.

Mayor Baines stated, Fred, why don't you address this issue generally.

Mr. Rusczek stated right now the Health Department leases about...well, it's over 9,000 square feet, about 9,500 square feet at 795 Elm Street, but that doesn't include all of the common space the toilets or the meeting rooms that we have there that are owned by the building. So, when a space study was done for the department back about two or three years ago the space study, if I recall, concluded we needed about 13,000 square feet at the time. Since that time, the needs of the department have changed. Most significantly since September 11th the country has been ramping up its public health preparedness to handle both bioterrorism and the emergency diseases. As part of that the Health Department expects to get about six additional staff including physicians and others and will be looking to do some work in our clinic space so that we can handle drop shipments of vaccine, greater supplies and be ready to meet the community's needs. Currently, we can't do that in the facility that we're in.

Alderman Gatsas stated you're looking to double that space, is that what you're telling me.

Mr. Rusczek replied from 12,000 square feet to the 18,000 square feet is about a 50% increase.

Alderman Gatsas stated you said you were at 9,500.

Mr. Rusczek stated 9,500 plus the common space...the toilets plus the meeting rooms that are available in our building and many of the things that we have now just need to be enlarged anyway. An ADA toilet is larger than the toilets that are in the Health space, for example.

Alderman Gatsas asked, Mr. MacKenzie, who gave you the analysis of these departments and how they were going to break in here or how did you come up with these?

Mr. MacKenzie replied we hired a professional architect...

Alderman Gatsas interjected let me try the question again because that's not the answer I was wanting you to go down. The Welfare Department, the Office of Youth Services and the Health Department...where did that scenario come from?

Mr. MacKenzie replied in terms of which ones would fit in there.

Alderman Gatsas stated no. Who gave you those departments to put specifically in this building?

Mr. MacKenzie replied the Board gave us the charge to look at (1) all renting departments, (2) MCTV if it was possible, (3) a Senior Center although they do rent at one of the locations, (4) a City Archives and a number of departments asked for a training facility because there is none in the City.

Alderman Gatsas asked can I give you a third scenario that you can get Lands and Buildings which would be at the Rines Center which would be the Senior Center, which would be the Health Department, moving Info Systems into that building also. Moving Youth Services to the Info Systems site because I think Info Systems, right now, is in the basement of the Fire Department and they're having some problems with condensation down there on their computers, aren't they?

Mr. MacKenzie stated I believe all of those issues...they went through a ventilation program, I believe those are resolved, but I would prefer to have Diane Prew (not here)...

Alderman Gatsas asked can we look at that breakdown, that may solve the problem and only have...I think that where Alderman Wihby was going is that we could find a building with 18,000 square feet that we can buy for a lot less than \$2.5 million. I don't think if you looked at this from a business approach that those would be the alternatives that you would be looking at here because you are then into a space for the Health Department at somewhere over almost \$200 a square foot. Now, I know that the country is concerned about bioterrorism and everything else, but I think that with the situation that we have with property taxes right now, I don't think we're looking at quite that kind of space. So, I don't know if we can get that scenario from you.

Mr. MacKenzie stated if the Board would wish us to we would bring that scenario to Lands and Buildings Committee.

Mayor Baines asked is that the consensus of the Board or what's the

Alderman Lopez stated Alderman Gatsas keeps indicating, with all due respect, this is business. Well, we've got to think of the seniors...people in this City, you can't do everything just because of business. If we were in the business, strictly in the business, we would get rid of a lot of things that the Parks and Recreation has and a lot of other things. This is a good deal...you've got four programs here, long been coming to this Board and believe me, I personally think they've done an outstanding job and we should move forward with this. There's no need to get other information to that degree. We can say we want to put Info down there, we can say we want to put MCTV...we don't even know what MCTV is going to do and we should be making decisions based on what we promised and fulfill those promises to the seniors and if it's going to cost us money over on the west side to build a West Side Senior Center, so be it. You've been a lot of money in this City on a lot of other things. So, with due respect, I wish the Committee would take a great look at this as soon as possible and come back and approve the four programs that have been laid out here tonight.

Alderman Pinard stated I've been listening to this now for four years about a Senior Center...the location on the west side that we're talking about and, Bob, I would like to address you on that one...how many people are going to be displaced if you buy those homes...there's a shortage of affordable housing as it is right now.

Mr. MacKenzie replied there are nine dwelling units in those three buildings. I would expect that converting the Brown School into housing would more than double that so we would make up for the nine units that were lost and perhaps add an additional nine units at the Brown School. So, we recognize the shortage of affordable housing, I think that's why we talked to the Mayor about converting the Brown School, so we offset any losses and we add some additional housing.

Alderman Pinard asked has anybody ever checked to see who lives in there, how many senior citizens that's been probably been living in those dwellings for their lifetimes...and, another question I have, your Honor, Bob...how much tax revenue are we going to be losing by taking these properties. Here we are in a shortage of money and we're going to take some away.

Mr. MacKenzie replied we would expect and we would probably write into an RFP that the Brown School when converted to housing pay property taxes and given the scale of the project and the number of units you would pay more taxes in the three properties that we'll be taking.

Alderman Pinard asked do we have anybody interested in buying Brown School, I have been hearing that for years and years?

Mr. MacKenzie replied yes there would be interest for and I'm aware of interest to buy by different organizations to convert that to housing.

Alderman Wihby stated, Bob, you say that but if you don't take those properties you could still convert the Brown School, get more residential and keep the ones that are there and increase your tax base. So, it's not like you're saying you have to do one or the other.

Mr. MacKenzie stated again you're assuming that you're going to be able to satisfy all of the City space demands. I think if you go to a half solution of saying we're going to satisfy half the departments, but we're going to still rent 18,000 square feet, it doesn't solve the problems and we will always be behind the 8 ball.

Alderman Wihby stated if you do not put Health there you can still take care of the extra, bigger Library plus people's properties on the tax roll and still do the Brown School.

Mr. MacKenzie replied again there's a lot of "if's". If you don't provide space for all of your departments you will still have to rent and you're faced with a long-term problem of not being efficient. Again, if you rent for more than a couple of years you're losing money.

Alderman O'Neil asked does this deal work with the Brown School...I guess in my opinion it would be best if the housing was by a non-profit...Manchester Housing Authority, Neighborhood Housing Services...something like that. Does this program work if the building is bought by a non-profit and does not pay property taxes?

Mr. MacKenzie replied most non-profits that we negotiate with now pay property taxes. It may be possible with the Housing Redevelopment Authority particularly if they're working with another non-profit to do that, but for example...Families in Transition, the Way Home, Neighborhood Housing Services...all pay property taxes to the City.

Alderman O'Neil asked property taxes or payment in lieu of taxes?

Mr. MacKenzie replied property taxes.

Alderman Guinta asked do you know how many or how much revenue we are currently receiving from the three buildings on the west side in property tax revenue?

Mr. MacKenzie replied not exactly. I know the assessed values are approximately \$400,000 total. So, if you did the quick math roughly \$32.00 per \$1,000 which translates into some number...\$120,000 annually.

Alderman O'Neil stated now that I think about it, I'm not sure you answered by question. Does the program work if the Brown School does not pay taxes?

Mr. MacKenzie replied the capital portion works nicely. But, when you come to the second question of loss of revenues it would be nice to get revenues from the Brown School because you could offset the loss of the three properties taken.

Alderman O'Neil stated, Alderman Gatsas, help me out on this one...Bob, you didn't answer my question.

Mr. MacKenzie stated let me try it again. The total project cost...

Alderman O'Neil asked does it work without the Brown School paying property taxes?

Mr. MacKenzie replied yes. We can do the project without the Brown School paying property taxes.

Alderman Gatsas stated I'm looking at the first page and I remember that two years ago when I was the biggest proponent of consolidation of departments and building a free-standing building on Chestnut Street for the seniors and we had some 180 spaces, I believe, Mr. MacKenzie and God knows that wasn't going to be enough parking. So, now we're looking and that was about \$6.5 million and when Mr. Clougherty put his spreadsheet together we got a pretty comprehensive view of what those costs were going to be. I would suggest that we get that same comprehensive view so that we see those dollars and so you can address Alderman O'Neil questions directly. And, the cost to do that renovation and new construction with a free-standing building at the Sears Building was \$6.5 million or maybe it was a little bit less than that and my goodness that was enough to scare everybody on the previous Board, I don't know where. But, I'm looking at this and we're talking about the same amount of money with less parking than we had and converted all of the consolidation into the Sears Building. So, I don't know, I guess the view that I bring to this Board, for some reason, are before their time and when we look at things we look at them through rose colored glasses because when sometimes we ask for opinions from department heads they say their policy and they don't want to give us an opinion on their position. But, other times department heads come forward with positions and I think that we need to have a very explicit, detailed report like we did when we received the Sears Building report. Mr. Clougherty put it forward, he showed what those costs of rents were going to be, he showed it in detail and I think that we deserve that same approach when we're looking at a \$6.5 million project that sounds like it's only one year later and an awful lot of money.

Mayor Baines stated in all due respect, Alderman, the idea is it's going to Committee and then Mr. Clougherty will put that information together.

Mr. MacKenzie asked could I respond to that.

Mayor Baines replied yes you may.

Mr. MacKenzie stated two items: one, the total project to have comparable apples-to-apples was \$7.3 million at the Sears site. The major difference between these two proposals is that the Sears paid significant property taxes that would have been lost to the tax rolls. So, if you look at the financial analysis there is no way that the Sears Building would be competitive from an economic base as with the proposal here.

Alderman Gatsas stated I think Mr. Clougherty did that complete analysis and the difference is is that the Rines Building offers 33,000 square feet and the Sears Building had 54,000 square feet. So, I agree we should compare apples-to-apples and we should get those numbers so that we can address Alderman O'Neil's question and why are we giving up nine units when we could convert them into 27 along with the 18 that you could do at the Brown School. So, I think that maybe we should get some answers to where we're going with the financing of this property. Thank you.

Alderman Thibault stated just to answer Alderman O'Neil's question of a few seconds ago, Felix Torres has been looking at that building for several months now and he has talked to me about it several times and I had asked him to hold off until we decided where it was going to go. So, I know that the interest is there to get that building and do something with it.

Alderman DeVries in reference to the pharmaceutical college that's in the basement of that building asked when is their lease up, what is their status?

Mr. MacKenzie replied as I understand it and I think Jay Taylor could answer better, but they are looking for a short-term lease situation and I believe the timing could work out that they would stay at the location. Certainly, we would like to see them remain in the City and I think Jay has been working with them to have them do so.

Mayor Baines interjected it's a 90-day notice if I correct on that, Jay.

Mr. Taylor replied yes.

Alderman Shea stated I know that the East Side Senior Center...the Commissioners have indicated that they would like to close it, I'm not sure if we can do that. I think we should consider at least looking into the possibility of closing that and I believe that would save close to \$50,000 a year. I think we pay something like \$47,000 and then \$5,000 or \$6,000 for custodial services. So, that again would be a savings that would be realized if in fact the seniors were to go. I think the key issue here and we all must consider this when we make a decision. I can't say it strongly enough...kids play on a baseball field, they don't play in a football field, they don't play in a soccer field (unless it's converted), they all play in a baseball field. Seniors want their own facility, they don't want to be with anyone else even though there may be combinations they don't want to be there. They want their own facility and people will go to a facility that's new, that's their own, that they feel secure in, that they have been in a sense going to because they're going to be moving over a few different yards and so forth. When we consider...like one of the Alderman mentioned about taking houses, we have taken off the tax rolls, in all due respect, so many houses in the southern part of our City and less taxes as a result...I don't know how much we have. When we're serious about a particular project we can throw darts like Mike does occasionally at different things and point out different problems or concerns but they're minor things. We have to look at the planning for the seniors in the year 2005, 2006, 2110 because as it was brought up earlier by Walter Stiles and his wife there are going to be more and more people that are going to be using a Senior Center and these people are going to have various needs and if we do it right we will have a Senior Center that will be respectful for our City. We put up a Verizon at the cost of \$70 million, we're thinking of putting up a project, we repaired the west side, we repaired Livingston Park, I'm sure in due time we'll put money into Derryfield Park, we're doing things with the parks and so forth, why do we have such a hard time when it comes to the seniors to give them their due, I don't understand it personally, I really don't. Because we think of all of these things that are necessary for our well-being and our quality of life but when it comes to the seniors we try to pigeon-hole them with other departments, it doesn't make sense to me and I think that every member of this Board has a real personal responsibility to give serious thoughts when we treat our senior citizens, we should treat them justly and right and proper.

Alderman Forest moved that the alternatives for the Carol M. Rines Center be referred to the Committee on Lands and Buildings. Alderman Thibault duly seconded the motion. There being none opposed, the motion carried.

CONSENT AGENDA

Mayor Baines advised if you desire to remove any of the following items from the Consent Agenda, please so indicate. If none of the items are to be removed, one motion only will be taken at the conclusion of the presentation.

Informational – to be Received and Filed

- A.** Copies of minutes of a meeting of the MTA held on March 26, 2002 and the Financial and Ridership Reports for the month of March 2002.
- B.** Copies of minutes of a meeting of the Mayor's Utility Coordinating Committee held on April 17, 2002.
- C.** Copy of a communication from the State of NH Dept. of Transportation advising of the receipt of a FHA executed Force Account Agreement covering fire alarm cable relocation.
- D.** Copy of a communication from the State of NH Dept. of Transportation advising of contemplated awards.
- E.** Copy of a communication from AT&T Broadband submitting the first quarter 2002 franchise fee payment in the amount of \$282,908.08.
- F.** Communication from the National MS Society extending their appreciation to the City of Manchester for making the 2003 Manchester MS Walk a success.

REFERRALS TO COMMITTEES

COMMITTEE ON FINANCE

J. Bond Resolution:

“Authorizing Bonds, Notes or Lease Purchases in the amount of Five Hundred Fifty Thousand Dollars (\$550,000) for the 2002 CIP 511202, Derryfield Country Club Rehab. Phase 4 Project.”

K. Resolutions:

“Amending the 1997 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Fifty Thousand Dollars (\$50,000) for the 1997 CIP 730271 Rotating Beacon Tower Project.”

“Amending the 2002 Community Improvement Program, authorizing and appropriating funds in the amount of One Hundred Seventy Thousand and Twelve Dollars (\$170,012) for 2002 CIP 210902 Substance Abuse Prevention and Treatment.”

“Amending the FY2002 Community Improvement Program, authorizing and appropriating funds in the amount of One Million Five Hundred Thousand Dollars (\$1,500,000) for the CIP 310402 School Capital Improvement Program.”

“Amending the 2002 Community Improvement Program, authorizing and appropriating funds in the amount of Eight Thousand Three Hundred Ninety Five Dollars (\$8,395) for 2002 CIP 412102 Hazardous Materials Response Planning.”

“Amending the FY2002 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Three Hundred Thousand Dollars (\$300,000.00) for FY2002 CIP 511202 Derryfield Country Club Rehab. Phase 4 Project.”

“Amending the 2002 Community Improvement Program, authorizing and appropriating funds in the amount of Seven Thousand Six Hundred Forty Seven Dollars and Twenty Eight Cents (\$7,647.28) for certain Police Projects including 2002 CIP 412002, 412202 and 412.302.”

“Amending the 2002 Community Improvement Program, authorizing and appropriating funds in the amount of Fifteen Thousand Dollars (\$15,000) for the 2002 CIP 810002 Valley Cemetery Master Plan Project.”

“Amending the FY2002 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Seventy Five Thousand Dollars (\$75,000) for the CIP 811402 City Motorized Equipment Replacement Project.”

REPORTS OF COMMITTEES

COMMITTEE ON ADMINISTRATION/INFORMATIONS SYSTEMS

- L.** Advising that it has approved the proposed five-year Service Contract and Lease Agreement between the City of Manchester and the Friends of the Manchester Animal Shelter, as enclosed herein, and recommends that the Mayor be authorized to execute said agreement subject to the review and approval of the City Solicitor.
- M.** Recommending that a request from the Manchester Boys & Girls Club to waive the business license fee for the annual Dobles Chevrolet Class Car Show to be held June 9, 2002 be denied as fees cannot be waived under the ordinance and further recommends that \$300.00 be taken out of civic contributions and given to the Manchester Boys & Girls Club to cover the business license fee.

COMMITTEE ON BILLS ON SECOND READING

- N.** Recommending that Ordinance Amendment:

“Amending Section 33.049 Special Merit Pay Increases of the Code of Ordinances of the City of Manchester by deleting said section in its entirety.”

ought to pass.
- O.** Recommending that Ordinance Amendments:

“Amending Chapter 130: General Offenses of the Code of Ordinances of the City of Manchester by repealing Section 130.10 Tattooing in its entirety.”

“Amending the Zoning Ordinance of the City of Manchester to include a new use group category for Tattoo Parlors, inserting changes to Table 5.10, adding supplementary regulations for tattoo parlors, and providing for location restrictions so as to prohibit such parlors within 600 feet from each other and not less than 500 feet from a Residential or Civic Zone.”

be referred to a public hearing on Tuesday, June 18, 2002 at 7:00 PM in the Aldermanic Chambers of City Hall.

- P.** Recommending that a petition for rezoning of Map 711/Lot 2, Map 712/Lot 1A, and Lot 1 @ Pettinghill Road and Brown Avenue submitted by Attorney Lazos on behalf of the King Family Trust be referred to a public hearing on Tuesday, June 18, 2002 at 7:00 PM in the Aldermanic Chambers of City Hall.
- Q.** Recommending that a petition for rezoning of Map 712/Lots 2 and 3 Hazelton and Brown Avenues submitted by Attorney Lazos on behalf of the King Family Trust be referred to a public hearing on Tuesday, June 18, 2002 at 7:00 PM in the Aldermanic Chambers of City Hall.

COMMITTEE ON COMMUNITY IMPROVEMENT

- R.** Recommending that:
 - 1) the FY2002 CIP 511202 Derryfield Country Club Rehab. Phase 4 Project be increased from \$250,000 to \$500,000.
 - 2) the Board authorize acceptance and expenditure of funds in the amount of \$170,012 for 2002 CIP 210902 Substance Abuse Prevention and Treatment.
 - 3) the Board authorize acceptance and expenditure of funds in the amount of \$7,647.28 for 2002 CIP 412002 Manchester Police CPS Inspection Station (\$986), 2002 CIP 412202 NH Clique 2002 (\$5,061.28) and 2002 CIP 412302 Sobriety Checkpoint – Spring 2002 (\$1,600).
 - 4) the Board authorize acceptance and expenditure of funds in the amount of \$8,395 for 2002 CIP 412102 Hazardous Materials Response Planning.
 - 5) the Board authorize acceptance and expenditure of funds in the amount of \$15,000 for FY2002 CIP 810002 – Valley Cemetery Master Plan.

and for such purpose amending resolutions, a bond resolution and budget authorizations have been submitted.

- T.** Recommending that the Fire Chief be authorized to enter into a contract with Greenwood Fire Apparatus Company for the purchase of a fire truck for the Cohas Brook Fire Station in the amount of \$582,833, plus \$72,000 for equipment for the truck.
- U.** Recommending that the Director of Planning be authorized to submit a Lead Paint Grant Application as generally outlined herein.
- V.** Recommending that an abatement in the amount of \$680.45 be approved for 707 Chestnut Street as recommended by the Department of Highway Environmental Protection Division.

COMMITTEE ON TRAFFIC/PUBLIC SAFETY

- W.** Recommending that a request on behalf of the Downtown Farmer’s Market for closure of streets, a no parking ban and reinstallation of banners on lighting fixtures in and around the Hartnett Lot from June 20th through October 24, 2002 be approved subject to meeting the requirements of the Highway, Risk, Traffic, Police, Fire, Building and City Clerk Departments. The Committee notes that the Traffic Department shall not be responsible for providing any direct services regarding the installation of the banners.

- X.** Recommending that a request for the closure of Hanover Street, from Elm to Chestnut Streets, beginning at 3 PM on Friday, June 7th and reopening Hanover Street on Sunday, June 9th at 1 PM in conjunction with the 2nd Annual Manchester Jazz and Blues Festival be granted and approved subject to meeting the requirements of the City Clerk, Fire, Highway, Police, Traffic and Risk Departments.
- Y.** Recommending that a request from the Barrie Resource Group to use the Arms Parking Lot on Friday, June 21, 2002 for an ice cream festival be granted and approved subject to meeting the requirements of the City Clerk, Fire, Highway, Police, Traffic and Risk Departments.
- Z.** Recommending that a request from the Breezeway Pub, Inc. to close Pearl Street between Elm and the Pearl Street Parking Lot on Saturday, June 29, 2002 from 12 PM until 8 PM in conjunction with hosting a block party fundraiser to benefit NH Aid Awareness be granted and approved subject to meeting the requirements of the City Clerk, Highway, Police, Fire, Traffic and Risk Departments.
- AB.** Advising that they have authorized the Traffic Director to create parking stalls on Hanover St. from I-91/101 to the East side Plaza driveway.
- AC.** Recommending that regulations governing standing, stopping, parking and operation of vehicles be adopted and put into effect when duly advertised and posted.

**HAVING READ THE CONSENT AGENDA, ON MOTION OF ALDERMAN
WIHBY, DULY SECONDED BY ALDERMAN O'NEIL, IT WAS VOTED THAT
THE CONSENT AGENDA BE APPROVED..**

- G.** Copy of a communication from Upton & Hatfield, LLP, on behalf of the John M. Sullivan Trust, requesting authorization to make payments from the trust directly to the appropriate officer of Southwest Little League to be used for the maintenance of the Francis "Pat" Lally Little League playing field.

Alderman Smith moved to approve authorization to make payments from the trust as outlined. Alderman Lopez duly seconded the motion.

Alderman Smith stated I'm in receipt here of a letter from the Attorney Margaret Moran and would like to give the funds directly to the Little League without going through the City.

Alderman Wihby asked is there a problem with that.

Deputy Clerk Johnson replied that is the recommendation that came to be earlier today.

Mayor Baines called for a vote on the motion. There being none opposed, the motion carried.

H. Ordinance Amendment:

“Amending the Zoning Ordinance of the City of Manchester so as to change the definition of Restaurant and amend the use group categories CBD and AMX to prohibit nightclub uses from the CBD and AMX Zoning Districts.”

Alderman O’Neil stated I was going to earlier make a motion to refer it back to staff, but some of my colleagues may be interested in a submit motion to receive and file.

Alderman Guinta moved that the Ordinance Amendment be received and filed. Alderman Sysyn duly seconded the motion. There being none opposed, the motion carried.

Report of the Committee on Community Improvement:

- S.** Recommending that \$75,000 be transferred from 511502 School Site Improvements to 811402 City Motorized Equipment Replacement for replacement of a mobile bandstand for Parks, Recreation and Cemetery and for such purpose an amending resolution and budget authorization has been submitted. The Committee notes that the current bandstand, which has serviced many functions for the community, can no longer be utilized.

Alderman DeVries stated I’m looking for clarification from Parks and Recreation. In reference to improvements for the repair of the mobile bandstand replacement...there were two items that were previously in 511502, the Clem Lemire Field and West Memorial...can you tell me who you’re taking that from.

Ron Johnson replied the work at West Memorial Field we’re going to be able to work with the City Highway Department on some of the improvements, so we’re able to reduce the cost of that project and then the money that was appropriated or designated for Memorial High School Clem Lemire Sports Complex would remain for the master plan.

Alderman DeVries stated the full \$75,000 would remain. So, that would include the \$50,000 that you’re looking at for the master plan and possibly some expedited work with the leftover \$25,000 for the summer.

Mr. Johnson replied correct.

Alderman Smith asked, Ron, everything at West Memorial will be completed, the last phase.

Mr. Johnson replied yes this is the last phase...the only thing that we have mentioned, I think I've discussed in the past that the State of NHDOT is doing a project for the off-ramp which is going to affect the back side of the parking lot and it's anticipated that we might receive some additional land in parking. The State would do some of those improvements and we might just need to do some improvements on the visitor's side...there's been some interest of constructing bleachers so that might be a future project once the highway improvements are completed.

Alderman O'Neil moved to accept, receive and adopt the report of the Committee on Community Improvement. Alderman DeVries duly seconded the motion. There being none opposed, the motion carried.

Mayor Baines asked, Ron, just quickly...have you looked into how fast we can get that?

Mr. Johnson replied yes upon authorization it looks like we could probably get it in mid-July, it would be able six weeks upon receiving the order. It does come from Minnesota, so we're looking at about mid to late July.

Report of the Committee on Traffic/Public Safety:

AA. Recommending that a request from Morgan Entertainment to use Arms on Saturday, July 13, 2002 from 1 PM until 9 PM for a music concert be granted and approved subject to the following conditions:

- 1) That Morgan Entertainment try to reach an agreement to hold the concert at Singer Park.
- 2) If such agreement cannot be reached, Morgan Entertainment may use Arms Park subject to getting approval from the abutters.
- 3) The use of any City facilities are subject to meeting all business license requirements, including approval of the City Clerk, Highway, Fire, Police, Traffic and Risk departments.

Alderman Wihby stated pertaining to Singer Park and all the stuff that's going down there, I'm hearing discussions...well, first of all, I have concerns with the last time we had a problem down there with the noise and I had told my constituents that any further groups like that that were going to come into the City would be done at the Verizon Center...that's why we were building it and now I see we're having 12 rock groups coming that are probably going to be just as loud, that was my first concern. The second concern, your Honor, is we're hearing about the stage and the money that the City's putting into it and it's not safe

and all these other things that are going on. I'd like to have them come to our next meeting...the Singer Park Foundation come to our next meeting...talk about what their plans are for the future, their financials...maybe we could have a financial discussion from Kevin Clougherty to see if they're up to date with the payments that they owe the City as far as what's going on down there...exactly what's going on with the stage...it seems to me that we're getting deeper and deeper into this and we're not fixing the situation, everybody's blaming the other person for different things and I think we should, once and for all, get something under control as to what is happening down there.

Mayor Baines asked could we ask that they come before the CIP Committee.

Alderman Wihby stated I would rather prefer they come to the full Board, your Honor, make a presentation to everybody as to what's going on at Singer.

Alderman Guinta stated I have no objections to those parties coming before the Board to provide an update as to what their plans are with respect to Singer Park, I can say that I have spoken to not only Morgan Entertainment with respect to this particular concert and he has assured me that he has come to terms with Singer regarding a concert...that venue as the concert venue, number one; and number two, not to utilize the stage that's there. That there will be a different stage in use and I have also talked to Singer Park regarding some of those issues regarding payments and they're doing the best that they can to make payments. They are late but they're trying to make them. They are making them, they're just not as timely as I think we would hope and I don't have an update regarding their plans to the current staging, so I certainly wouldn't object to having them come forward to clue us in a little bit on some of their future plans.

Alderman Wihby stated future plans plus I'm concerned with the stage, the liability and who's paying for what and what's going to happen.

Alderman Guinta stated as it stands now we're not using that current stage.

Alderman Wihby stated we still spent...

Alderman Guinta interjected I understand that...

Alderman Wihby asked, Alderman O'Neil, we spent how many hundred of thousands on that stage, a couple hundred that the City's into for that stage.

Alderman O'Neil replied for a hundred.

Mayor Baines called upon Kevin Clougherty.

Mr. Clougherty stated I believe we're into the new stage for \$100,000 is my recollection.

Alderman Wihby stated a hundred thousand dollars for a stage that we can't use.

I think there is responsibility there that they come forward and tell us what their plans are.

Mayor Baines stated I will certainly invite them to the next meeting.

Alderman O'Neil asked is it appropriate, I know Alderman Wihby wants to bring it to the full Board, maybe a committee would be more appropriate, it's generally where we try to handle these things.

Alderman Wihby stated there's nothing to be hidden that says have it out in the public.

Mayor Baines stated it's whatever the Board wants. I would think it would go to the CIP Committee and people could come if they're interested in discussion. But, that's up to the Board if you want them at the full Board meeting.

Alderman Shea moved to invite Singer Park people to the Committee on CIP. Alderman O'Neil duly seconded the motion.

Alderman Wihby stated we're afraid to have it out in public discussion. Why is it CIP and not the full Board, no one else cares.

Mayor Baines reiterated it's up to the Board.

Alderman Gatsas asked why do we particularly pick when we're going to send it to a committee and when it comes to the full Board because I asked about the presentation on the Rines Center which should have gone to Lands and Buildings.

Mayor Baines replied because on that one the Board had asked for it to come back to the full Board. All I know is that the CIP Committee is the Committee that has been dealing with

this issue. If you want it to come before the full Board, it will come before the full Board.

But, there's a motion on the floor that it go to CIP Committee and called for a vote on the motion.

Alderman O'Neil withdrew his second to the motion that is be referred to the CIP Committee indicating it be referred to the next full Board meeting.

Mayor Baines stated we need a motion on the report of the Committee.

Alderman Wihby stated my only other concern on this item is that it doesn't even make any sense any more. I understand they've moved and they're not going to have it at Arms Park.

Mayor Baines asked are we still requesting a vote on this tonight.

Deputy Clerk Johnson replied I believe that a vote of the Board regarding this report is really not required because Morgan Entertainment has gone to Singer Park and worked out an arrangement. You can receive and file it if you wish.

Alderman Wihby moved that the report of the Committee on CIP relative to a request from Morgan Entertainment be received and filed. Alderman Garrity duly seconded the motion.

Alderman Gatsas stated I believe we had this conversation in Administration about allowing them to go to Arms Park. Now, I see that this came in under Traffic.

Deputy Clerk Johnson stated Traffic has the authority over the park, not over the business licensing. The business licensing was handled by Committee on Administration on another issue.

Alderman Gatsas stated but I think we gave them the license for Arms Park...

Deputy Clerk Johnson replied no.

Alderman Gatsas stated we didn't. Where did we give them a license for?

Deputy Clerk Johnson replied Veteran's Park.

Alderman Gatsas stated so they went to Traffic for approval on Arms Park and Singer Park.

Deputy Clerk Johnson replied no. The Committee on Traffic has the authority over the Arms Park, it is a parking lot. So, anytime Arms Park is being requested to be utilized for anything it goes to the Committee on Traffic. The Committee on Traffic did not deal with the licensing issues, they dealt with the authorities of utilizing the park, that being Arms Park. What the Committee said at the time was it's our understanding that Singer Park may be available, so therefore, we're asking that you go and try and work out an agreement with them. If that's not feasible or it does not work out then you may use Arms Park subject to meeting all other licensing conditions set forth by the City and that's basically what the report contained. In the meantime, they did go to Singer Park, it's a private foundation and they've made arrangements there. They've applied for a business license through our office and are following those procedures as well.

Alderman Gatsas stated the only problem I have, your Honor, is that somebody comes to one department or comes to Committee on Administration for a license at one venue...because they were refused the license by Parks that's why they had to come to Administration...

Deputy Clerk Johnson stated they came to the Committee on Administration because the City Clerk's Office had denied them a license to utilize the park. Now, in this instance, we have not denied any license to utilize Singer Park or Arms Park for that matter.

Alderman Gatsas stated so all three parks...what I'm trying to get to is that all three parks have been approved for a concert.

Alderman Guinta interjected there's two separate concerts that we're talking about. The first concert was at Veteran's Park, that was the Peter Frampton concert. This is a completely separate concert. During the negotiation of this second concert the Veteran's Park venue was moved to the Singer Park venue because we sat here and we had some concerns with respect to the Veteran's Park. We approved it but we also were able to convince Morgan Entertainment to move that venue to Singer Park...then this current concert here on July 13th that we're talking about is a separate entity and he had requested Arms Park. What we wanted to do was put him at Singer Park and we strongly suggested he should be at Singer, but we didn't want to completely want to remove the Arms Park possibility. So, we said to him what this says here is you can go to Arms Park, if you meet these conditions, and one of

the conditions was try to get to Singer first. He struck a deal at Singer, so Arms is off the table. So, now he has two concerts both at Singer. The whole object of this was to, I think, get away from Arms Park and get away from Veteran's which is what we've accomplished.

Alderman Gatsas stated so there is no concert at Veteran's Park.

Mayor Baines called for a vote on the motion to receive and file. There being none opposed, the motion carried.

7. Nominations were then presented by Mayor Baines.

Board of Registrars:

Barbara Arnold to succeed herself, term to expire May 1, 2005.

Alderman Wihby moved to suspend the rules and confirm the nomination of Barbara Arnold to succeed herself, term to expire May 1, 2005. Alderman Lopez duly seconded the motion. There being none opposed, the motion carried.

8. Confirmation of nominations to the **Manchester Airport Authority** as follows:

Albertine Morrisette to succeed Alice Monchamp, term to expire March 1, 2005.

Steve Young to fill the unexpired term of Larry O'Neill, term to expire March 1, 2003.

Alderman Wihby moved to confirm the nominations to the Manchester Airport Authority as presented. Alderman Lopez duly seconded the motion. There being none opposed, the motion carried.

9. Confirmation of nomination to the **Art Commission** as follows:

Al St. Cyr to fill the newly created seat on the Art Commission, term to expire three years from the date of confirmation.

Alderman Wihby moved to confirm the nomination of Al St. Cyr to the Arts Commission, term to expire May 21, 2005. Alderman Osborne duly seconded the motion. There being none opposed, the motion carried.

10. Confirmation of nominations to the **Heritage Commission** as follows:

Kathleen Mirabile to fill the unexpired alternate term of Gregory Goucher,
term to expire January 1, 2004.
Elizabeth LaRocca to succeed David Boutin as an alternate member, term
to expire January 1, 2005.

Alderman Smith moved to confirm the nominations to the Heritage commission as
presented. Alderman Shea duly seconded the motion. There being none opposed, the
motion carried.

11. Confirmation of nominations to the **Planning Board** as follows:

Chris Dodd to succeed Tom Getz, term to expire May 1, 2005.
Raymond Clement to succeed David Boutin, term to expire May 1, 2005.
Todd Connors to succeed Chris Dodd, term to expire May 1, 2003.
Steven Freeman to succeed Raymond Clement, term to expire May 1, 2004.

Alderman O'Neil moved to confirm the nominations to the Planning Board as presented.
Alderman Pinard duly seconded the motion. There being none opposed, the motion carried.

12. Nominations are in order for an Aldermanic Representative to the Millyard
Design Review Committee.

Alderman O'Neil moved to nominate Alderman Frank Guinta as the Aldermanic
Representative to the Millyard Design Review Committee. Alderman Shea duly seconded
the motion. There being none opposed, the motion carried.

13. Nominations are in order for Aldermanic Representatives to the Conduct
Board as a regular member and as an Alternate.

Mayor Baines asked do we have any nominations this evening?

Alderman O'Neil replied no. Is this going to be placed on the table then.

Deputy Clerk Johnson replied we placed it on the Board's agenda because we were trying to
notify the Board or have them nominate somebody before the government book was put
together. It is my understanding that the Aldermen do not have anyone to nominate at this
time.

Alderman Wihby asked who's there now?

Deputy Clerk Johnson replied it's a vacant position, the last position was held by a local attorney. Usually, the Conduct Board typically has been held by attorneys in the community. So, I guess if you want us to give you a listing of who has held those positions in the past we can do that. This particular one is the Aldermanic Representative and the Alternate Representative for the Aldermen.

Mayor Baines suggested Alderman O'Neil contact you.

Alderman Wihby stated both are attorneys.

Deputy Clerk Johnson replied one would fill the others space in the event that the other could not attend the meeting. It is not something that has to be done necessarily, but it is a vacant position. We'll just bring it back at a later date.

Deputy Clerk Johnson stated there was a Resolution and project budget authorization that was presented to the Board as a result of a poll of the Committee on Community Improvement and asked for a motion to read the Resolution by title only.

Resolution:

“Amending the 2002 Community Improvement Program, authorizing and appropriating funds in the amount of Twenty Two Thousand Two Hundred Thirty Three Dollars and Seventy Five Cents (\$22,233.75) for the 2002 CIP 412402, Manchester Skateboard Park Officer Project.”

Alderman O'Neil moved that the Resolution be read by title only. Alderman Thibault duly seconded the motion. There being none opposed, the motion carried.

Alderman Osborne moved that the Resolution be referred to the Committee on Finance.

Alderman Smith duly seconded the motion. There being none opposed, the motion carried.

On motion of Alderman Pinard, duly seconded by Alderman Osborne, it was voted to recess the meeting to allow the Committee on Finance to meet.

Mayor Baines called the meeting back to order.

OTHER BUSINESS

16. A report of the Committee on Finance was presented recommending that:

“Amending a Resolution ‘Approving the Community Improvement Program for 2003, Raising and Appropriating Monies Therefore, and Authorizing Implementation of Said Program.’ ”

ought to pass and layover as amended; that Bond Resolution:

“Authorizing Bonds, Notes or Lease Purchases in the amount of Five Hundred Fifty Thousand Dollars (\$550,000) for the 2002 CIP 511202, Derryfield Country Club Rehab. Phase 4 Project.”

ought to pass and layover; and, further that Resolutions:

“Amending the 1997 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Fifty Thousand Dollars (\$50,000) for the 1997 CIP 730271 Rotating Beacon Tower Project.”

“Amending the 2002 Community Improvement Program, authorizing and appropriating funds in the amount of One Hundred Seventy Thousand and Twelve Dollars (\$170,012) for 2002 CIP 210902 Substance Abuse Prevention and Treatment.”

“Amending the FY2002 Community Improvement Program, authorizing and appropriating funds in the amount of One Million Five Hundred Thousand Dollars (\$1,500,000) for the CIP 310402 School Capital Improvement Program.”

“Amending the 2002 Community Improvement Program, authorizing and appropriating funds in the amount of Eight Thousand Three Hundred Ninety Five Dollars (\$8,395) for 2002 CIP 412102 Hazardous Materials Response Planning.”

“Amending the FY2002 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Three Hundred Thousand Dollars (\$300,000.00) for FY2002 CIP 511202 Derryfield Country Club Rehab. Phase 4 Project.”

“Amending the 2002 Community Improvement Program, authorizing and appropriating funds in the amount of Seven Thousand Six Hundred Forty Seven Dollars and Twenty Eight Cents (\$7,647.28) for certain Police Projects including 2002 CIP 412002, 412202 and 412.302.”

“Amending the 2002 Community Improvement Program, authorizing and appropriating funds in the amount of Twenty Two Thousand Two Hundred Thirty Three Dollars and Seventy Five Cents (\$22,233.75) for the 2002 CIP 412402, Manchester Skateboard Park Officer Project.”

“Amending the 2002 Community Improvement Program, authorizing and appropriating funds in the amount of Fifteen Thousand Dollars (\$15,000) for the 2002 CIP 810002 Valley Cemetery Master Plan Project.”

“Amending the FY2002 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Seventy Five Thousand Dollars (\$75,000) for the CIP 811402 City Motorized Equipment Replacement Project.”

ought to pass and be enrolled.

Alderman Wihby moved to accept, receive and adopt the report of the Committee on Finance. Alderman Osborne duly seconded the motion. There being none opposed, the motion carried.

- 17.** A report of the Committee on Lands and Buildings was presented recommending that the Mayor be authorized to execute lease amendments between the City and Bridgerock Properties, LLC, as enclosed herein, for space for the Welfare Department and Office of Youth Services, subject to the review and approval of the City Solicitor.

Alderman Thibault moved to accept, receive and adopt a report of the Committee on Lands and Buildings. Alderman Lopez duly seconded the motion. There being none opposed, the motion carried.

- 18.** Discussion relative to Health Care Provider(s).

Alderman Shea moved that the discussion relative to Health Care Provider(s) be referred to the Committee on Finance on May 22, 2002. Alderman DeVries duly seconded the motion. There being none opposed, the motion carried.

- 19.** Communication from the Airport Director requesting a public hearing be held to consider finding a public purpose and necessity for the taking of property by eminent domain related to the new Airport entrance roadway as follows:
2956 Brown Avenue (Pine Island Realty Trust)
Lot Number 683-10 (John and Judith Galvin)

Alderman Lopez moved to refer the matter to public hearing on a date to be set by the City Clerk and the Airport Director. Alderman Shea duly seconded the motion.

Alderman Wihby stated there's a public hearing on June 18th, can we send it then?

Deputy Clerk Johnson replied we would have to check because we need to do notifications on eminent domain.

Mayor Baines called for a vote on the motion. There being none opposed, the motion carried.

- 20.** Copy of a Memorandum of Agreement relative to the NH Reentry Project/ Manchester Project for Collaborative, Wraparound, Adolescent Substance Abuse Treatment.

Alderman Osborne moved to authorize the Mayor to execute such agreements, subject to the review and approval of the City Solicitor. Alderman Shea duly seconded the motion. There being none opposed, the motion carried.

- 21.** Copy of a Memorandum of Agreement with the Granite State Clean Cities Coalition which purpose is to set forth the agreements, respective responsibilities, and procedures necessary to carry out the objectives of the DOE Clean Cities program which accelerates the introduction and expands the use of alternative fuels and alternative fuel vehicles.

Alderman O'Neil moved for discussion. Alderman Thibault duly seconded the motion.

Alderman O'Neil stated I'm not sure what this is doing.

Mr. Scannell stated Mr. Greenauer from the Governor's Office was here but he had to leave. As it's been explained to us and Kevin Sheppard from the Highway Department and Dave Smith from the MTA...this is merely an aspirational program that allows the signatories of Manchester signs, will give Manchester access to some DOE funds for alternative fuel vehicles. There's no burdensome task placed on Manchester, there's no money that's going to change hands, it just allows us to have access to certain funds if we decide that this is something that we want to look at.

Alderman O'Neil moved to authorize the Mayor to execute Memorandum of Understanding between the City and the U.S. Department of Energy, subject to the review and approval of the City Solicitor. Alderman Thibault duly seconded the motion. There being none opposed, the motion carried.

- 22.** Copy of a communication from PretiFlaherty advising that Tri-State as subcontractor to MFK Associates has discontinued work at Singer Family Park on the concert stage.

Mayor Baines stated there was some discussion and this item will be referred to the next meeting of the Board of Mayor and Aldermen.

23. Bond Resolutions:

“Authorizing Bonds, Notes or Lease Purchases in the amount of Three Million Six Hundred Forty thousand Dollars (\$3,640,000) for the 2002 CIP 310402, School Capital Improvement Program.”

“Authorizing Bonds, Notes or Lease Purchases in the amount of One Hundred Fifty Thousand Dollars (\$150,000) for the 2002 CIP 511402, Derryfield Park Rehabilitation Program.”

“Authorizing Bonds, Notes or Lease Purchases in the amount of Three Hundred Fifty Thousand Dollars (\$350,000) for the 2002 CIP 511502, School Site Improvements Program.”

“Authorizing Bonds, Notes or Lease Purchases in the amount of Two Hundred Fifty Thousand Dollars (\$250,000) for the 2002 CIP 714202, Annual ROW Reconstruction Program.”

“Authorizing Bonds, Notes or Lease Purchases in the amount of Two Hundred Thousand Dollars (\$200,000) for the 2002 CIP 714302, Bridge Rehabilitation Program.”

“Authorizing Bonds, Notes or Lease Purchases in the amount of Two Hundred Thirty Thousand Dollars (\$230,000) for the 2002 CIP 714402, Sidewalk Improvement Program.”

“Authorizing Bonds, Notes or Lease Purchases in the amount of Six Hundred Thousand Dollars (\$600,000) for the 2002 CIP 811402, City Motorized Equipment Replacement Program.”

“Authorizing Bonds, Notes, or Lease Purchases in the amount of Two Million Seven Hundred Fifty Thousand Dollars (\$2,750,000) for the 2002 CIP 811502 Municipal Facility Building Acquisition Project.”

“Authorizing Bonds or Notes in the amount of Nine Million Dollars (\$9,000,000) in furtherance of the Manchester Airport Capital Improvement Program.”

Alderman Wihby moved to dispense with the readings by titles only. Alderman Pinard duly seconded the motion. There being none opposed, the motion carried.

Alderman O’Neil moved to amend the Motorized Equipment Replacement Program Resolution from \$600,000 to \$675,000 and the School Site Improvement Program Resolution from \$350,000 to \$275,000. Alderman Shea duly seconded the motion. There being none opposed, the motion carried.

Alderman O’Neil moved that the Bond Resolutions pass and be Enrolled as amended. Alderman Osborne duly seconded the motion. There being none opposed, the motion carried.

24. Resolutions:

“Amending the 1997 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Fifty Thousand Dollars (\$50,000) for the 1997 CIP 730271 Rotating Beacon Tower Project.”

“Amending the 2002 Community Improvement Program, authorizing and appropriating funds in the amount of One Hundred Seventy Thousand and Twelve Dollars (\$170,012) for 2002 CIP 210902 Substance Abuse Prevention and Treatment.”

“Amending the FY2002 Community Improvement Program, authorizing and appropriating funds in the amount of One Million Five Hundred Thousand Dollars (\$1,500,000) for the CIP 310402 School Capital Improvement Program.”

“Amending the 2002 Community Improvement Program, authorizing and appropriating funds in the amount of Eight Thousand Three Hundred Ninety Five Dollars (\$8,395) for 2002 CIP 412102 Hazardous Materials Response Planning.”

“Amending the FY2002 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Three Hundred Thousand Dollars (\$300,000.00) for FY2002 CIP 511202 Derryfield Country Club Rehab. Phase 4 Project.”

“Amending the 2002 Community Improvement Program, authorizing and appropriating funds in the amount of Seven Thousand Six Hundred Forty Seven Dollars and Twenty Eight Cents (\$7,647.28) for certain Police Projects including 2002 CIP 412002, 412202 and 412302.”

“Amending the 2002 Community Improvement Program, authorizing and appropriating funds in the amount of Twenty Two Thousand Two Hundred Thirty Three Dollars and Seventy Five Cents (\$22,233.75) for the 2002 CIP 412402, Manchester Skateboard Park Officer Project.”

“Amending the 2002 Community Improvement Program, authorizing and appropriating funds in the amount of Fifteen Thousand Dollars (\$15,000) for the 2002 CIP 810002 Valley Cemetery Master Plan Project.”

“Amending the FY2002 Community Improvement Program, transferring, authorizing and appropriating funds in the amount of Seventy Five Thousand Dollars (\$75,000) for the CIP 811402 City Motorized Equipment Replacement Project.”

Alderman Pinard moved to dispense with the reading by titles only of the resolutions.

Alderman Shea duly seconded the motion. There being none opposed, the motion carried.

Alderman Forest moved that the resolutions pass and be enrolled. Alderman Garrity duly seconded the motion. There being none opposed, the motion carried.

TABLED ITEM

25. Report of the Committee on Lands and Buildings recommending that the Welfare Commissioner be authorized to execute a lease agreement between the City of Manchester Welfare Department and Manchester Neighborhood Housing Services, Inc. for 22 units of space initiating July 1, 2002 at a cost not to exceed \$190,000.00 subject to the review and approval of the City Solicitor. The Committee notes that they have enclosed information relating to stipulations of the agreement and analysis conducted by the City Auditor.

This item remained tabled.

NEW BUSINESS

Alderman Shea moved that we follow the recommendation of the Commissioners of the Elderly Services and look at possibly closing the East Side Senior Center and refer this item to the Committee on Lands and Buildings. Alderman Lopez duly seconded the motion. There being none opposed, the motion carried.

Alderman Gatsas stated I believe probably two or three months ago you had requested some appraisals on the parking garages. Are they in, are they completed?

Mayor Baines replied yes and it's coming up at Lands and Buildings tomorrow night.

Alderman Gatsas asked are we going to get the appraisals before then?

Mayor Baines replied I think we're going to talk about that a little bit.

Alderman Gatsas asked are we going to get any information because I know the process that you started a couple of years ago was...that's when I talked about us not owning parking garages. But, two years ago you had talked about or requested that before we come as a Board and if a department is going to give us information that they give us information before the evening that we arrive as we got with the Senior Center tonight so that we have an opportunity to look at it.

Mayor Baines stated I think there's a question about revealing the appraisals because you have to go through a process...for example, if the decision of the committee is to recommend to the full Board that we actually put that garage out they're going to ask for bids, Tom, please help me, but you don't want to reveal your appraisal at this point in time.

Deputy City Solicitor Arnold replied I think you would not want to reveal the appraisals. You probably want to handle it in executive session or recess to meet with counsel.

Alderman Gatsas stated I guess my question is are we talking about all three garages tomorrow night or just one?

Mayor Baines replied right now the letter that I sent is to look at one, in particular, but again the committee has latitude to look at the others as well.

Alderman Gatsas stated so we could go into executive session at Lands and Buildings and talk about the other two.

Mayor Baines replied yes.

There being no further business to come before the Board, on motion of Alderman Smith, duly seconded by Alderman Osborne, it was voted to adjourn.

A True Record. Attest.

City Clerk